



PERSONAL INFORMATION DISCLOSURE AUTHORIZATION AUTORISATION DE RÉVÉLATION DE RENSEIGNEMENTS PERSONNELS

Pursuant to the Privacy Act, any personal information transferred to the National Archives by a government institution for archival or historical purposes, may be disclosed in accordance with the Privacy Act regulations.

En vertu de la Loi sur la protection des renseignements personnels, les renseignements personnels versés aux Archives Nationales pour des fins archivistiques ou historiques peuvent être communiqués conformément aux règlements sur la protection des renseignements personnels.

To assist National Archives in considering the disclosure of such personal information, this form must be completed and returned as indicated, along with the attached form, Review of files prior to disposal.

Afin d'aider les Archives Nationales dans la considération de la communication de ces renseignements personnels, veuillez remplir ce formulaire et le retourner tel qu'indiqué avec le formulaire ci-joint; Examen des dossiers en vue de leur disposition.

Return to - Retourner à	File no. - N° du dossier 355-1-1	Volume no. - N° du volume 1
Does the listed file(s) contain personal information Est-ce que le(s) dossier(s) mentionné(s) ci-dessus contient(nent) des renseignements personnels		<input type="checkbox"/> Yes Oui <input checked="" type="checkbox"/> No Non
If so, could the release of personal information contained in the file(s) constitute unwarranted invasion of privacy Si oui, est-ce que la communication des renseignements personnels contenus dans le(s) dossier(s) constituerait(ent) une violation injustifiée de la vie privée		<input type="checkbox"/> Yes Oui <input type="checkbox"/> No Non
If yes, identify correspondence and state disclosure restrictions Si oui, identifier la correspondance et les restrictions de divulgation		
Signature 		Date 9 Y/A 6 0 M 8 2 D/J 2

For further information concerning the disclosure of personal information, contact the ATIP Secretariat

Pour de plus amples renseignements sur la communication des renseignements personnels, communiquer avec le Secrétariat de l'AIPRP 000002



ACTION REQUEST
'FICHE DE SERVICE

TO — À

Yates

Mr. Stairs

DATE

14/10

LOCATION — EN DROIT

Assistant Director

Northern Administration Branch

FROM — DE

ACTION
DONNER SUITE

APPROVAL
APPROBATION

COMMENTS
COMMENTAIRES

DRAFT REPLY
PROJET DE RÉPONSE

MAKE
FAIRE.....COPIES

NOTE AND FILE
NOTER ET CLASSER

NOTE & RETURN/OR FORWARD
NOTER ET RETOURNER/OU FAIRE SUIVRE

P. A. ON FILE
CLASSER

REPLY
RÉPONSE

SEE ME
ME VOIR

SIGNATURE

TRANSLATION
TRADUCTION

YOUR REQUEST
À VOTRE DEMANDE

*I will speak to Digby
about this because there
will be difficulty in
reproducing the report in
its entirety*

[Signature]

19/10
000004

cc. Mr. Yates, Assistant Director,
Northern Administration Branch

NORTHERN ADMIN. BRANCH	
OTTAWA, ONT.	
OCT 14 1966	
No.	8865
FILE	355-1-1
REFER TO	D-2

EXECUTIVE ASSISTANT

Ottawa 4, October 5, 1966

973-23

Railway Feasibility Study -
Yukon Territory

You requested our advice respecting the desirability of releasing the Canadian National Railways Feasibility Study which was prepared jointly for the account of Crest Exploration Limited and the Department of Northern Affairs.

You will recall that we received an informal request from Anvil Mining Corporation that the study be released to them. We attempted to obtain the approval of Crest for this but received a qualified reply. Mr. Howard Nicholson, President of Crest, requested that should the study be released to Anvil we obtain from Anvil an undertaking to inform the Yukon and White Pass of all discussions that Anvil might hold with the Department of Northern Development regarding transportation development in the Yukon. Since Anvil is also contemplating using alternative transportation methods, at least during the initial stages, they did not feel a pressing need for the study and certainly were most reluctant to meet the conditions set by Crest. Therefore, we have not actually refused to supply the study to anyone and, indeed, indicated to Anvil that if they felt the study would be of importance in their planning we would look at the matter again to determine whether another approach might be taken.

Normally, with a study of this kind we would have recommended publication when it became available. However, in this particular case, the study was essentially a reassessment but in much more detail of the original feasibility study prepared by Canadian Reichtal solely for the account of Crest. Also, since Crest paid 50% of this reassessment and detail work, we felt that to some extent, neither side should release the study to others without mutual consent.

The subject of releasing the study was not formally agreed between the Department and Crest, therefore, although we obtained no specific agreement that the study could be released unilaterally, on the other hand, there is no understanding that would prohibit this. In view of the interest expressed

A.D.HUNT/pr

[Handwritten signature]
20/10/66

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- 2 -

by Mitsui and Company Ltd., perhaps the time has come when we should publish, or at least inform the public, that those having specific interests in this matter can obtain or borrow copies of the report. The development of transportation facilities, particularly on the scale contemplated, certainly is within the sphere of public interest, and comment on the feasibility study by other interested groups would, no doubt, be helpful.

It is suggested, therefore, that we should make the study available but, before we do so, should let Crest know of our intentions and give Mr. Nicholson the opportunity to express whatever objections or reservations he might have. Perhaps when he sees that the time has come to release his study he may no longer wish to object. A draft letter to Mr. Nicholson is attached for this purpose.

Incidentally, we have been informed unofficially by Mr. Friesen of Yukon and White Pass, that he may be submitting a proposal to extend his companies facilities to Anvil. It would appear Yukon and White Pass have been working hard on this problem during the last few months since they can see the time is approaching when more extensive railway facilities in the Yukon may well be justified.

J.A. MacDonald,
Senior Assistant Deputy Minister

REFERRED TO	REMARKS	DATE	INITIALS	P.A. DATE OR T.	B.F. DATE	INITIALS	REGISTRY INSPECTION
*1	8/4/65 3842	21/4/65	<i>[Handwritten signature]</i>	28/9		<i>[Handwritten initials]</i>	PR 22 1965
*4	29/4/65 3457	3/5/65	<i>[Handwritten signature]</i>	10/5/65		<i>[Handwritten initials]</i>	MAY 1

000007

FILE No. 355 -1-1

Vol. 1

SUBJECT:

PROPOSED RAILROADS - Y.T.

FOR INSTRUCTIONS RE USE OF FILE COVER SEE BACK COVER

TO
1964
FROM

REFERENCE					DISPOSAL			
REFERRED TO	REMARKS	DATE	INITIALS	P.A. DATE OR T.	B.F. DATE	INITIALS	REGISTRY INSPECTION	
K1	916 # 175 ³ / ₁₀	24/6	CT	24/6		DU	JUN 24 1964	
K3	26/6/64 # 7381	29/6/64	EU			RD	JUL 10 1964	
DO	sig & approval	7-7	RD			M.R.	JUL 10 1964	
EM K3	request	7-7	R.D.	9-7		RD	JUL 10 1964	
K3	7/7 # 176 ³ / _F	15/7	Y		27/7	NY	JUL 20 1964	
W1	Request	14-7	B.	15/7		RD	JUL 20 1964	
K3	17/7 8246	21/7	DC		7-8	L.H.	JUL 31 1964	
K4 No Fund	Req	21-7-64	M	12/8/64		M	AUG 26 1964	
K3 LGM	7/7 # 192 ³ / _F	31/7	Y	14-8		Y	AUG 26 1964	
K3 LGM	7/7 # 176 ³ / _F	31/7	Y	14-8		Y	AUG 26 1964	
DO	signature	18-8	R.D.	18/8		RD	AUG 26 1964	
① DO	30/7 9465	19/8	DC			Y	AUG 26 1964	
② K1	30/7 9465	19/8	DC	24-8		Y	AUG 26 1964	
K1	13/8 9464	19/8	DC		25/8	NY	AUG 26 1964	
K3	17/7 8246	19/8	DC	24-8		Y	AUG 26 1964	
A1	see note on #9465	21/8	Y			Y	AUG 26 1964	
K4	17/8 # 135 BF	26/8	Y	27-8		Y	AUG 27 1964	
K4	17/8 # 231 BF	26/8	Y	27-8		Y	AUG 27 1964	
K1	13/8 # 9464 BF	26/8	Y	27/8		Y	AUG 27 1964	
K4 (NS)	24-8 # 938 BF	29/8/64	Y	16-9		Y	SEP 24 1964	
J.O.	11/8 # 133 BF	15/9	Y	24/9		M.R.	SEP 24 1964	
A.B.Y (K1)	Request	25/9/64	M.D.	25/9		Y	SEP 28 1964	
DO	approval	25/9	M	25/9		Y	SEP 28 1964	
A1	req	28/9	Y	28/9		Y	SEP 28 1964	
DO (CMB)	Request	1-2-65	M	1-2		Y	FEB 2 1965	
L.H.T. (K4)	Request	5/2/65	M.D.	5/2/65		Y	FEB 8 1965	
A.B.Y (K1)	Request	10/2/65	M.D.	10/2		Y	FEB 10 1965	
K4	24/5/3/65 326 BF	12/2/65	Y		76-2-65	Y	FEB 12 1965	
K4	24/5/2/65 326 BF	16/2/65	Y		26-2-65	Y	FEB 16 1965	
K4	12-2-65 8434	16-2-65	Y	18/2/65		Y	FEB 18 1965	
K4	5/2/65 326 BF	26-2-65	Y	1/3/65		Y	MAR 2 1965	
K4	26/2/65 305 BF	10-3-65	Y	17/3/65		Y	MAR 18 1965	
K4 (PMT)	16/3/65 78 BF	26-3-65	Y		15/4/65	Y	MAR 28 1965	
K4	31-3-65 3058	24/3/65	Y	5/4/65		Y	APR - 7 1965	
K4 (PMT)	16/3/65 78 BF	15/4/65	Y	13/4/65		Y	APR 15 1965	

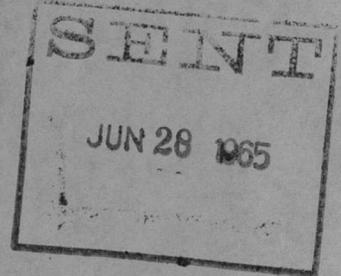
00008

P. aff
28/6/65
9/10

H.J. Nicholson, Esq.,
President,
Crest Exploration Limited,
Medical Arts Building,
329A Sixth Avenue S.W.,
Calgary, Alberta.

Ottawa 4, June 28, 1965

355-1-1



Dear Mr. Nicholson,

Railway - Snake River to Tidewater

We enclose herewith, Government of Canada Cheque No. A7-0026973 in the amount of \$16,578.06 which represents the difference between the \$25,000.00 forwarded to us in connection with the feasibility study conducted by the C.N.R. and your share of the actual cost of the feasibility study.

Yours sincerely,

ORIGINAL SIGNED BY
A. B. YATES

A.B. Yates,
Chief, Engineering Division

P.N. Thompson/mc/D

fr



REQUISITION FOR CHEQUE MANDE DE CHÈQUE

Page
 353-1-1
 2/16/65

DEPARTMENT - MINISTÈRE
 Northern Affairs and National Resources

TYPE OF FUNDS - GENRE DE FONDS

DATE
 June 14, 1965

BRANCH - DIRECTION
 Northern Administration

BR. NO. - N° DE DIR.

The California Standard Co.,
 (Crest Exploration Limited),
 Medical Arts Building,
 329A 6th Avenue S.W.
 Calgary, Alberta.

PAYEE'S NAME
 AND ADDRESS
 NOM ET ADRESSE
 DU BÉNÉFICIAIRE

SOURCE

T.O. NO. - N° DU B.T.

C.T. NO. - N° DU B.C.T.

DATE OF CHEQUE - DATE DU CHÈQUE
 JUN 22 1965

RATE OF EXCHANGE - COURS DU CHANGE

PLEASE QUOTE CHEQUE NUMBER WHEN REFERRING TO THIS REMITTANCE
 VEUILLEZ CITER LE NUMÉRO DU CHÈQUE EN MENTIONNANT LA PRÉSENTE REMISE

PARTICULARS - DÉTAILS	FOREIGN AMOUNT MONTANT ÉTRANGER	EXCHANGE CHANGE	CAN. AMOUNT MONTANT CAN.	CHEQUE NO. N° DU CHÈQUE
Refund of unapplied portion of deposit re: C.N.R. feasibility study of Railway from Snake River to Tidewater C.R. 203769 dated 11/3/65. Please return cheque and copy of this form to Engineering Division, 5th Floor, Kent-Albert Building.			16,578.06	026973

PARL. VOTE NO. N° DE CR. PARL.	VOTE TITLE - TITRE DU CRÉDIT						AMOUNT MONTANT
FIN. ENC. NO. - N° DE CH. FIN.	DIV.	ESTAB. CADRES	VOTE CRÉDIT	PRI. RÉP. PR.	S.R. SOUS-RÉP.	OBJECT ARTICLE	AMOUNT MONTANT
	00	000	995	15		000	16,578.06

CERTIFIED PURSUANT TO SECTION 32 OF THE FINANCIAL ADMINISTRATION ACT. NO ITEM IN THIS ACCOUNT HAS BEEN PREVIOUSLY AUTHORIZED, AND*

CERTIFIÉ EN VERTU DE L'ARTICLE 32 DE LA LOI SUR L'ADMINISTRATION FINANCIÈRE. AUCUN POSTE DU PRÉSENT COMPTE N'A DÉJÀ ÉTÉ AUTORISÉ, ET*

APPROVED FOR PAYMENT AND REQUISITIONED PURSUANT TO SECTION 31 OF THE FINANCIAL ADMINISTRATION ACT

APPROUVÉ AUX FINS DE PAIEMENT ET DEMANDÉ EN VERTU DE L'ARTICLE 31 DE LA LOI SUR L'ADMINISTRATION FINANCIÈRE

ORIGINAL SIGNED BY
 G. LAVIOLETTE

AUTHORIZED OFFICER - FONCTIONNAIRE AUTORISÉ

AUTHORIZED OFFICER - FONCTIONNAIRE AUTORISÉ

* IF NOT AUTHORIZED UNDER BOTH SECTIONS OF THE ACT, DELETE THE WORD "AND"

* SI NON AUTORISÉ EN VERTU DES DEUX ARTICLES DE LA LOI, RAYEZ LE MOT "ET"

CERTIFIED - CERTIFIÉ
 Original Signed by
 M. J. JARDINE

CHIEF TREASURY OFFICER - AGENT EN CHEF DU TRÉSOR

000010



REQUISITION FOR CHEQUE DEMANDE DE CHÈQUE

DEPARTMENT - MINISTÈRE
Northern Affairs and National Resources

TYPE OF FUNDS - GENRE DE FONDS
BRANCH - DIRECTION
Northern Administration

DATE
June 14, 1965
BR. NO. - N° DE DIR.

The California Standard Co.,
(Crest Exploration Limited),
Medical Arts Building,
329A 6th Avenue S.W.
Calgary, Alberta.

PAYEE'S NAME
AND ADDRESS
NOM ET ADRESSE
DU BÉNÉFICIAIRE

SOURCE
T.O. NO. - N° DU B.T.
C.T. NO. - N° DU B.C.T.
DATE OF CHEQUE DATE DU CHÈQUE
JUN 22 1965
RATE OF EXCHANGE - COURS DU CHANGE

PLEASE QUOTE CHEQUE NUMBER WHEN REFERRING TO THIS REMITTANCE
VEUILLEZ CITER LE NUMÉRO DU CHÈQUE EN MENTIONNANT LA PRÉSENTE REMISE

PARTICULARS - DÉTAILS	FOREIGN AMOUNT MONTANT ÉTRANGER	EXCHANGE CHANGE	CAN. AMOUNT MONTANT CAN.	CHEQUE NO. N° DU CHÈQUE
Refund of unapplied portion of deposit re: C.N.R. feasibility study of Railway from Snake River to Tidewater C.B. 203769 dated 11/3/65. Please return cheque and copy of this form to Engineering Division, 5th Floor, Kent-Albert Building.			16,578.06	026973

PARL. VOTE NO. N° DE CR. PARL.	VOTE TITLE - TITRE DU CRÉDIT						AMOUNT MONTANT
FIN. ENC. NO. - N° DE CH. FIN.	DIV.	ESTAB. CADRES	VOTE CRÉDIT	PRI. RÉP. PR.	S.R. SOUS-RÉP.	OBJECT ARTICLE	AMOUNT MONTANT
	00	000	995	15		000	16,578.06

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ORIGINAL SIGNED BY
G. LAVIOLETTE

AUTHORIZED OFFICER - FONCTIONNAIRE AUTORISÉ

AUTHORIZED OFFICER - FONCTIONNAIRE AUTORISÉ

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* SI NON AUTORISÉ EN VERTU DES DEUX ARTICLES DE LA LOI, RAYEZ LE MOT "ET"

CERTIFIED - CERTIFIÉ

Original Signed by
M. J. JARDINE

CHIEF TREASURY OFFICER - AGENT EN CHEF DU TRÉSOR

000011



CANADA

July

Department
of Northern Affairs
and National Resources Northern Administration Branch

Ministère
du Nord canadien et
des Ressources nationales Direction des régions septentrionales

CHIEF, ADMINISTRATION DIVISION

Ottawa 4, May 11, 1965

our file / notre dossier
your file / votre dossier

355-1-1

X
19/pe

Railway - Snake River to Tidewater

On August 17, 1964 the Department, Crest Exploration Limited and the Canadian National Railways entered into an agreement whereby the C.N.R. would prepare and submit to the Department with a copy to Crest, a report containing an assessment of the cost of constructing a railway extending from Crest's property in the vicinity of Snake River to Tidewater. The agreement provided that the cost of the study would be shared by the Department and Crest Exploration Limited.

In accordance with the terms of the agreement, the Department provided \$50,000 to the C.N.R. before they undertook the study and Crest Exploration Limited provided \$25,000 to us upon receipt of their copy of the report.

The C.N.R. have now submitted a statement of their costs for conducting the study. Costs incurred by the C.N.R. totalled \$16,843.89 and Crest Exploration Limited have approved payment of \$8,421.94 as their share of the cost and I have approved the sum of \$8,421.95 as being the share payable by the Department. A copy of the C.N.R. statement indicating the above approvals is attached.

Please make the necessary arrangements to have a cheque in the amount of \$16,578.06 issued to Crest Exploration Limited which will represent the difference between the \$25,000 they have deposited with us and their share of the cost of the study.

Kindly have the cheque returned to this Division for furtherance to Crest Exploration Limited.

A.B. Yates,
Chief, Engineering Division

*i. P. 203769
dated 11/9/65
Requisition for Cheque
to Treasury
15/6/65
JCS*

SP

STATEMENT RE: REVIEW OF RAILWAY TRANSPORTATION COSTS
TO CREST EXPLORATION IRON PROPERTY IN YUKON

Expenses incurred by C.N.R.

Consulting Engineer - Salary	\$9,275.66
Consulting Engineer - Travelling Expenses	2,109.42
Train Performance Study - Headquarters Salaries	1,014.93
Computer Time	131.66
Mapping Materials, etc.	<u>411.89</u>
	<u>\$12,943.56</u>

Expenses incurred by Crest Exploration
chargeable against the joint study

3,900.33

Total

\$16,843.89

Advance Received from Government

50,000.00

Balance Returned Herewith -
CN Cheque April 9, 1965 No. 1-094-758

\$33,156.11

Montreal, 12 April 1965.

*Agreed that share payable
by Crest Exploration Limited is \$8,421.95
H. G. Nicholson
April 29, 1965*

Approved that share payable by
Northern Affairs and National Resources
is \$8,421.95.

[Signature]
10 May 1965.

PAWA.
11/5/65
[Signature]

Expenses incurred by C.N.R.

Consulting Engineer - Salary	39,275.06
Consulting Engineer - Travelling Expenses	2,109.42
Train Performance Study - Headquarters Salaries	1,014.93
Computer Time	131.66
Mapping Materials, etc.	<u>411.89</u>
	<u>\$12,943.56</u>

Expenses incurred by Crest Exploration chargeable against the joint study

3,900.33

Total

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H.G. Nicholson
April 29, 1965

Approved that share payable by
Northern Affairs and National Resources
is \$8,421.96

10 May 1965



CREST EXPLORATION LIMITED

MEDICAL ARTS BUILDING, 329A - 6TH AVENUE S.W.

CALGARY, ALBERTA.

April 29, 1965.

30 34
3457
355-1-1
K4

Mr. A. B. Yates,
Chief, Engineering Division,
Northern Administration Branch,
Department of Northern Affairs
and National Resources,
Ottawa, Canada.

Your File 355-1-1

Dear Mr. Yates:

Thank you for your letter of April 27 concerning the statement of costs of the study of the feasibility of constructing a railway from Snake River to Tidewater.

We are in agreement with the charges as detailed and that our share of the cost is \$8,421.94.

We would appreciate receiving, at your convenience, refund of \$16,578.06, representing the balance remaining from the \$25,000.00 which we originally advanced.

I would like to express my personal appreciation for the modest charges involved in what I think was a very complete and satisfactory study within the limited scope of investigation which Major Charles was authorized to conduct.

Very truly yours,

H. G. NICHOLSON
President

cc: Mr. D. F. Purves
Major J. L. Charles

DAT
27/4/65
PAT

H.G. Nicholson, Esq.,
President,
Crest Exploration Limited,
Medical Arts Building,
329A Sixth Avenue S.W.,
Calgary, Alberta.

Ottawa 4, April 27, 1965

355-1-1

SEARCHED
APR 28 1965

Dear Mr. Nicholson,

Railway - Snake River to Tidewater

We enclose herewith, a copy of a statement received from the C.N.R. covering costs they have incurred in making their report giving an assessment of the cost of constructing a railway extending from your Company's property at Snake River to Tidewater.

If you are in agreement with the charges as detailed, would you indicate approval for payment of your share of the cost (\$8,421.94) and return the statement to this Office.

Upon receipt of the statement and approval by the Minister, we shall arrange to forward a cheque in the amount of \$16,578.06 representing the balance between the \$25,000.00 previously forwarded by Crest Exploration Limited and the cost of the study.

Yours sincerely,

P.N.Thompson/mc/D

KT
c

ORIGINAL SIGNED BY
A.B. YATES
Chief, Engineering Division

1 A.M.D.
27/4/65
PAT

D.F. Purvis, Esq.,
Assistant Vice-President,
Research and Development,
Canadian National Railways,
Montreal, Quebec.

Ottawa 4, April 27, 1965

355-1-1

SENT
APR 28 1965

Dear Mr. Purvis,

Railway - Snake River to Tidewater

We have received your statement of April 12, 1965 outlining costs incurred by the Canadian National Railways in connection with the rail transportation cost assessment made for this Department and Crest Exploration Ltd. We enclose a general receipt, #Y204093 acknowledging receipt of your cheque in the amount of \$33,156.11, which represents the difference between the funds advanced to you and the actual cost of the study conducted.

Yours sincerely,

ORIGINAL SIGNATURE
A. B. YATES

P.N.Thompson/mc/D
AT

A.B. Yates,
Chief, Engineering Division

n.D.

SENT
APR 26 1965

D.F. Purves, Esq.,
P.O. Box 8100,
Montreal, Quebec.

Ottawa 4, April 23, 1965.

3-5

~~355-1-2~~
355-1-1

Dear Mr. Purves,

A copy of the supplementary report by Major J.L. Charles, covering winter conditions in the area of the proposed Great Exploration area and development in the Yukon Territory, has been received under cover of your letter of April 19, 1965.

Thank you kindly for forwarding this copy to us for our retention.

Yours sincerely,

ORIGINAL SIGNED BY
A. B. YATES

J.H. Jacobsen
J.H. Jacobsen/fp/h

A.B. Yates,
Chief, Engineering Division

OK

355-1-1

reply 23/4/65
m.D.



Canadian National Railways

D. F. Purves
Assistant Vice President

Research and Development

P. O. Box 8100,
Montreal, Quebec,
19 April, 1965.

Mr. A. B. Yates,
Chief,
Engineering Division,
Northern Administration Branch,
Department of Northern Affairs
and National Resources,
Ottawa 4, Ontario.

Dear Mr. Yates:

355-1-1
K1

Further to my letter of 12 February, 1965, and Major J. L. Charles' Report delivered to Mr. Karl Stairs in Ottawa on February 11, I believe I mentioned to Mr. Stairs in conversation at that time that Major Charles would be making a supplementary Report covering winter conditions in the area in which a railway line to the Crest Exploration iron ore property would be located.

Herewith for your retention a copy of Major Charles' Report dated 2 March, 1965, dealing with winter conditions in the area in question.

Major Charles has sent a copy of this report direct to Crest Exploration Limited.

Yours very truly,



DEPARTMENT OF NORTHERN AFFAIRS AND NATIONAL RESOURCES GENERAL RECEIPT

Y-204093

NANR 10-38 (3-59)

CANADA

DATE <i>15/4/65</i>	NATURE AND NUMBER OF REMITTANCE <i>cheque</i>	CASH NO.	INV. NO.	BRANCH <i>Montreal</i>
RECEIVED THE SUM OF				LOCATION <i>Montreal</i>

THIRTY-THREE THOUSAND ONE HUNDRED FIFTY-SIX — 11 / 100 DOLLARS \$ *33,156.11*

FROM
*Le chemin National Railways
Montreal P.Q.*

FIN. ENC.	DIV.	EST.	VOTE	PRI.	S.A.	OBJ.	AMOUNT
<i>79714</i>	<i>30</i>	<i>177</i>	<i>503</i>	<i>21</i>	<i>00</i>	<i>100</i>	<i>9,156.11</i>
<i>79779</i>	<i>00</i>	<i>000</i>	<i>761</i>	<i>01</i>		<i>000</i>	<i>24,000.00</i>

FOR *refund of advance*

TO BRANCH HEAD

[Signature]
000020
AUTHORIZED SIGNING OFFICER

7	REFERENCE - RÉFÉRENCE
6	
5	
4	
3	
2	
1	
	REFUND BAL. OF ADV.

**CANADIAN NATIONAL RAILWAYS
CHEMINS DE FER NATIONAUX DU CANADA**

MONTRÉAL, P.Q.

**DETACH BEFORE PRESENTING
FOR PAYMENT**

**VEUILLEZ DÉTACHER CE
AVANT L'ENCAISSEMI** 000021

*see
letter
27/4/65
M.D.*



Canadian National Railways

D. F. Purves
Assistant Vice President

Research and Development

P. O. Box 8100,
Montreal, Quebec,
14 April, 1965.

Mr. A. B. Yates,
Chief, Engineering Division,
Northern Administration Branch,
Department of Northern Affairs
and National Resources,
Ottawa 4, Ontario.

Dear Mr. Yates:

I refer to your letter of April 6 respecting the account for \$3,900.33 received from Crest Exploration Limited covering expenditures made by Crest Exploration for the joint account of the Department of Northern Affairs and National Resources and Crest Exploration in connection with the rail transportation cost assessment being made for the Department and Crest Exploration by the Canadian National Railways.

We have today mailed to Crest Exploration a cheque for \$3,900.33 (copy of letter dated 31 March from Crest Exploration and of our letter to Crest Exploration are enclosed).

Also enclosed are the following:

- (a) statement of expenses incurred chargeable to the review of railway transportation costs, totalling \$16,843.89;
- (b) CN Cheque No. 1-094-758 for \$33,156.11, being the amount remaining from the \$50,000 advance received by Canadian National from the Department.

Yours very truly,

D. F. Purves



GREST EXPLORATION LIMITED

MEDICAL ARTS BUILDING, 329A - 6TH AVENUE S.W.

CALGARY, ALBERTA.

March 31, 1965.

I 31-30

Mr. D. F. Purvis,
Assistant Vice-President,
Research & Development,
Canadian National Railways,
Montreal, Quebec.

VICE-PRES.			DEV. PLAN.	
ASST. V.P.	2	0	GEN. ECON.	
ASST. TO V.P.			DEVLPT.	
SP. RES. P.			W.K. STUDY	
TECH. RES.			LABORATORY	
OPER. RES.			LIBRARY	

01/4/65

Dear Mr. Purvis:

Re: Railway - Snake River to Tidewater

We attach copy of letter from Mr. A. B. Yates of the Department of Northern Affairs and National Resources, dated March 26, and copy of our reply of March 31, together with facsimiles of our supporting invoices.

As indicated to Mr. Yates, we would appreciate your including our chargeable costs totalling \$3,900.33 along with your statement of account for settlement on a joint basis by the Department and ourselves of the cost of the railway feasibility study.

Yours very truly,

H. G. Nicholson
H. G. NICHOLSON
President



Canadian National Railways

D. F. Purves
Assistant Vice President

Research and Development

P. O. Box 8100,
Montreal, Quebec,
14 April, 1965.

Mr. H. G. Nicholson,
President,
Crest Exploration Limited,
Medical Arts Building,
329A - 6th Avenue S. W.,
Calgary, Alberta.

Dear Mr. Nicholson:

Further to your letter of March 31, 1965, we have included your expenditure of \$3,900.33 in our accounting with the Department of Northern Affairs and National Resources covering our assessment of rail transportation costs between Snake River and tidewater. CNR Cheque No. 1-094-759 for \$3,900.33 in favour of Crest Exploration Limited is enclosed.

Yours very truly,

Original Signed By
D. F. PURVES

b.c.c. Mr. A. B. Yates,
Chief, Engineering Division,
Northern Administration Branch,
Department of Northern Affairs
and National Resources,
Ottawa 4, Ontario.



STATEMENT RE: REVIEW OF RAILWAY TRANSPORTATION COSTS
TO CREST EXPLORATION IRON PROPERTY IN YUKON

Expenses incurred by C.N.R.

Consulting Engineer - Salary	\$ 9,275.66
Consulting Engineer - Travelling Expenses	2,109.42
Train Performance Study - Headquarters Salaries	1,014.93
Computer Time	131.66
Mapping Materials, etc.	<u>411.89</u>
	\$12,943.56

Expenses incurred by Crest Exploration chargeable against the joint study	<u>3,900.33</u>
--	-----------------

Total	\$16,843.89
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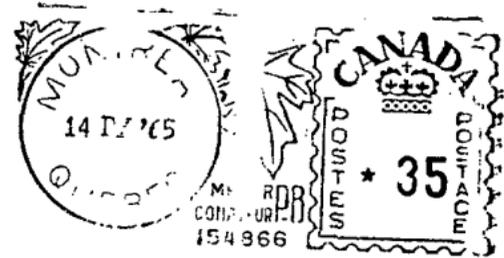
Advance Received from Government	<u>50,000.00</u>
----------------------------------	------------------

Balance Returned Herewith - CN Cheque April 9 1965 No. 1-094-758	<u><u>\$33,156.11</u></u>
---	---------------------------

Montreal, 12 April 1965.



Convenient -
CN tickets by mail
Les billets par la poste -
CN-gagnent du temps



Mr. A. B. Yates,
Chief, Engineering Division,
Northern Administration Branch,
Department of Northern Affairs
and National Resources,
Ottawa 4, Ontario.

REGISTERED MAIL



000026

Canadien National



Canadian National Railways





CANADA

Department
of Northern Affairs
and National Resources Deputy Minister

cc. for A.B. Yates
Engineering Division
Ministère
du Nord canadien et
des Ressources nationales Sous-ministre

NORTHERN ADMIN. BRANCH	
OTTAWA, ONT.	
APR 20 1965	
No.	2842
FILE	355-1-1
REFER TO	K1

MINISTER

Ottawa 4, April 8, 1965.

our file / notre dossier 999-315
your file / votre dossier

Crest Iron Ore Railway Study

The study on the feasibility and costs of constructing a railway from the Crest Iron ore deposit in the Yukon to Tidewater, has now been completed. The report was prepared by the Canadian National Railways Limited and submitted January 29, 1965. Crest Exploration Limited and the government shared the cost of this report equally. It will be recalled that the study was commissioned in order to determine whether the preliminary estimates for building a railway, contained in a report prepared by Canadian Bechtel Limited, were realistic or could, perhaps, be reduced to some extent. The Bechtel report estimated that a railway installation would be in the order of \$333,000,000 which, if realistic would have meant a freight charge so high that it would be unlikely the iron concentrate could be moved to Tidewater at an economical price.

The C.N.R. report (the conclusions of which are attached) indicates that the cost might be reduced by approximately 16% and excluding port facilities would now be in the order of 279 million dollars including construction and equipment. This figure is still somewhat higher than desirable and it is unlikely that the iron concentrates could be moved by rail at a cost that would allow them to compete on world markets. However, we cannot be sure of this statement without further study. From the physical viewpoint, a railway is feasible but as already suggested, from the economic viewpoint, it may not be the answer.

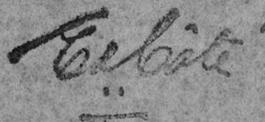
As perhaps you know, our technical staff have recently been extremely busy assessing the applications to export concentrates from the Northwest Territories by Pine Point Mines Limited and Echo Bay. They are also preparing an economic analysis of the projected Clinton Creek mining development and may, in the very near future, be engaged in a similar analysis of the Baffinland Island iron deposits. As a result we have not yet been able to turn our attention to the Crest situation. However, I hope that within two or three weeks we will be able to prepare a careful analysis of the economic situation using the railway report which is fundamental to any economic analysis. We will attempt to develop anticipated freight costs based on a throughput of 5, 10, and 20 million tons per year. This will enable us to determine whether, based on current world price, there would be sufficient income left after subtracting freight costs to allow the ore to be mined and concentrated (beneficiated). If possible, we will also compare railway freight costs with a Solids Pipeline and will make some allowances for the movement of other freight over the railway. In this way, it should be possible to identify whether under today's

A.B. Hunt/pr/AG

- 2 -

conditions a subsidy would be necessary to bring Crest's property into production and the size of such a subsidy. We are not necessarily suggesting that a subsidy should be given serious consideration at this stage but at least we should know exactly what would be required to bring the reserves onto world markets.

There will, however, be other factors that cannot be fully assessed at this time, the most important being the cost method of beneficiating the ore. The Company have considered direct reduction by using natural gas and this is certainly a possibility if sufficient gas reserves can be developed within the vicinity. As you know, the iron content of the ore is not particularly high and the production of pig iron, or iron pellets on location, might help the marketing situation considerably. On the other hand, many countries like to import concentrates and carry out their own smelting. We will attempt to analyse this further. In the meantime, we have prepared for your consideration, a letter to the President of Crest suggesting that a meeting be arranged in the early summer.



E.A. Côté,
Deputy Minister

SUMMARY OF THE REPORT PREPARED BY THE CANADIAN NATIONAL RAILWAYS
DATED JANUARY 29, 1965, CREST IRON ORE

The railway would run from the Crest Exploration Limited mine at the confluence of Iron Creek and Snake River, near the Yukon-Northwest Territories border, to a proposed seaport at Dyea, near Skagway. The report was prepared in co-operation with Crest Exploration Company Ltd., and with reference to the report of 1963 by Canadian Bechtel Limited.

Conclusions reached by C.N.R. were:

1. The most feasible route indicated is from Dyea through Bennet, Carcross, Whitehorse, Carmacks, Mayo and Northeasterly to Iron Creek; concurring with recommendations by Bechtel.
2. Total distance is estimated at 577 miles.
3. Total cost of construction \$279,000,000 (line construction \$242,000,000; equipment \$37,000,000; port facilities not included. This estimate is 16% lower than that given in Bechtel report).
4. Total annual operating cost for transportation of 5,000,000 short tons \$28,000,000 (Bechtel estimates less than \$26,000,000).
5. A cursory examination of several alternative routes along the way indicated no substantial advantages gained over the route described under item 1.

Recommendations by C.N.R. are:

1. That the estimated costs be treated as conjectural and for feasibility study only.
2. If development is decided upon, a ground survey should be initiated as early as possible to give a more accurate evaluation of the costs involved.

The route suggested as the most feasible in the Bechtel report coincides roughly with that given by C.N.R. They recommend further study into other modes of transportation, especially pipeline transport, before coming to a conclusion on railroad construction.

Ottawa
April 14, 1965

Mr. H. G. Nicholson
President
Crest Exploration Limited
Medical Arts Building
Calgary
Alberta

Dear Howard:

I have had a chance to talk with Jack Austin about his meeting with you in Calgary on Thursday April 1 and your discussion concerning the report by the Canadian National Railways on the cost and feasibility of building a railroad from the Crest iron ore deposits to Tidewater. Unfortunately because of the high level of activity in mining throughout the north, my officials have not had an opportunity to assess the report but I hope to have their views before long. I have seen a preliminary evaluation which indicates that although the costs are down quite a bit, they represent nonetheless a substantial amount of money.

I was glad to know from Jack Austin that your attentions and interests for the development of Crest iron deposits remain unabated. The discovery of natural gas in needed quantities is something we can hope for with a good deal of reasonable optimism. I am delighted to know of your view that a market for Crest production in these circumstances is to be expected.

I hope that before too long I will have the opportunity of talking to you about all of these items.

With kindest personal regards.

Yours sincerely,
ARTHUR LAING

Arthur Laing

AUSTIN/P

000031

PA m.d.
5/4/65
P.N.

D.F. Purves, Esq.,
Assistant Vice President,
Research and Development,
Canadian National Railways,
P.O. Box 8100,
Montreal, Quebec.

Ottawa 4, April 6, 1965.

355-1-1
APR 6 1965

Dear Mr. Purves,

Railway Feasibility Study

I refer to your telephone conversation on April 2, 1965 with our Mr. P.N. Thompson regarding the account you have received from Crest Exploration Limited for costs they have incurred in connection with the above study.

I wish to confirm that it will be in order for you to include these charges in your statement of costs for conducting this study. The costs referred to are as follows:-

Travel Expenses	\$ 1,200.66
Camp Supplies	173.12
Photographs	102.55
Phototopographic Map	649.00
Charter Aircraft	<u>1,775.00</u>
Total	<u>\$ 3,900.33</u>

We understand that Crest Exploration has provided you with details to support these costs.

-- In view of the above, we are returning herewith CNR Cheque No. 4-091-849 in the amount of \$37,056.44 and your statement of March 31, 1965.

Yours sincerely,

K. W. Stairs

P.N.Thompson/lm/D

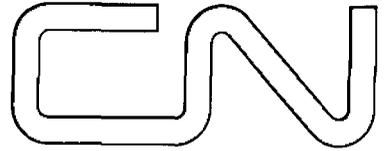
PKI

A.B. Yates,
Chief, Engineering Division

355-1-1

P.A. Inc. 5/4/65

see letter 6/4/65



Canadian National Railways

D. F. Purves
Assistant Vice President
Research and Development

P. O. Box 8100,
Montreal, Quebec,
31 March, 1965.

Mr. A. B. Yates,
Chief, Engineering Division,
Northern Administration Branch,
Department of Northern Affairs
and National Resources,
Ottawa 4, Ontario.

Dear Mr. Yates:

Further to your letter of March 16 respecting the assessment of costs of transportation to the Crest Exploration iron property at Snake River, herewith billing for \$12,943.56 covering CNR expenses. The advance received from the Government was \$50,000, and this leaves a balance unexpended of \$37,056.44.

CNR cheque dated March 31, 1965, No. 4-091-849, for \$37,056.44 is enclosed herewith.

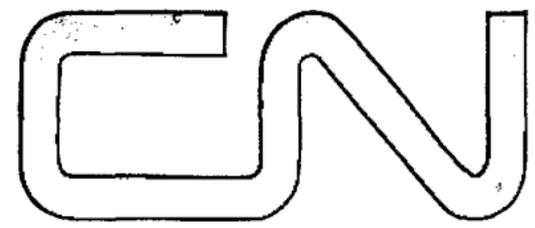
Yours very truly,

D. F. Purves

**STATEMENT RE: REVIEW OF RAILWAY TRANSPORTATION COSTS
TO CREST EXPLORATION IRON PROPERTY IN YUKON**

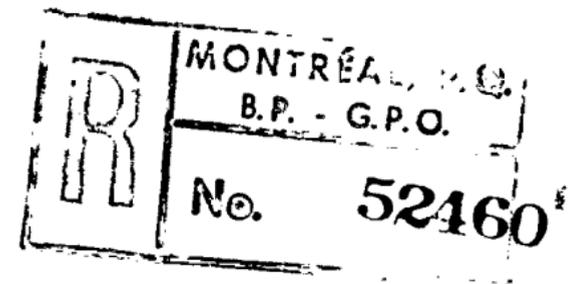
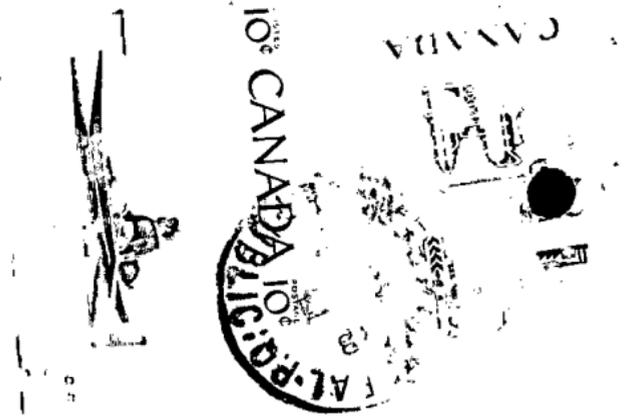
Consulting Engineer - Salary	\$ 9,275.66
Consulting Engineer - Travelling Expenses	2,109.42
Train Performance Study - Headquarters Salaries	1,014.93
Computer Time	131.66
Mapping Materials, etc.	<u>411.89</u>
Total	\$12,943.56
Advance Received from Government	<u>50,000.00</u>
Balance Returned Herewith - CN Cheque March 31 1965 No. 4-091-849	<u><u>\$37,056.44</u></u>

Montreal, 31 March, 1965.



Mr. A. B. Yates,
Chief, Engineering Division,
Northern Administration Branch,
Department of Northern Affairs
and National Resources,
Ottawa 4, Ontario.

R E G I S T E R E D



CN 251-B

Canadien National



Canadian National Railways





CREST EXPLORATION LIMITED

MEDICAL ARTS BUILDING, 329A - 6TH AVENUE S.W.

CALGARY, ALBERTA.

March 31, 1965.

5/11/65
5/4/65
RA
APR 2 1965
No. 3028
355-1-1
K4

Mr. A. B. Yates,
Chief, Engineering Division,
Department of Northern Affairs
and National Resources,
Northern Administration Branch,
Ottawa, Canada.

Dear Mr. Yates:

Thank you for your letter of March 26, concerning our out-of-pocket expenditures on our joint feasibility study of a railway from Snake River to Tidewater conducted by the Canadian National Railway.

We suggest that there is some ambiguity in Section 5 (b) of the agreement quoted by you, as to the intent of the section. We had interpreted our undertaking to mean that we would arrange for the hauling of the products to the site of the caches, but not to include the cost of the products themselves. However, since this is ambiguous, we are prepared to absorb this additional cost.

Upon reviewing our statements, we found an error in the distribution of charter aircraft costs, and a small \$3.00 error in White Pass Petroleum invoices. We have corrected these, and attach revised statements adjusting all the above changes. As before, these are included under two categories:

Category I - Chargeable to the Joint Survey

These include: Travel Expenses	\$ 1,200.66
Camp Supplies	173.12
Photographs	102.55
Phototopographic Map	649.00
Charter Aircraft	<u>1,775.00</u>
Total	<u>\$ 3,900.33</u>

Category II - Absorbed by Crest

Our agreement provided for Crest to furnish helicopter time, gas caching, salary of a civil engineer to help Major Charles and camp facilities at Snake River. Our costs for this service include:

Company aircraft	\$ 482.00
Charter Aircraft	936.00
Helicopter Charter	5,422.00
Gasoline & Oil	1,320.12
Engineer's salary	<u>1,000.00</u>
Total	<u>\$ 9,160.12</u>

RA
5/4/65

- 2 -

As you suggested, we are sending supporting invoices plus copies of our correspondence to Mr. D. F. Purvis of the Canadian National Railway, with a request that \$3,900.33 be included with their statement of account for conducting the feasibility study. We trust that you will find this satisfactory.

Yours very truly,



H. G. NICHOLSON
President

cc: Mr. D. F. Purvis.

YUKON IRON ORE RAILWAY FEASIBILITY STUDY

ITEMIZATION OF COSTS PAID BY CREST EXPLORATION LTD.

CATEGORY I - CHARGEABLE TO THE JOINT SURVEY

	<u>Schedule</u>	<u>Amount</u>	<u>Totals</u>	<u>Account</u>
	<u>No.</u>	<u>\$</u>	<u>\$</u>	<u>Totals</u>
				<u>\$</u>
1. Travel Expense				
Crest's engineer (W. C. Cook) & Major Charles	1 - 3	891.33		
Helicopter crew - while working out of motels	4	<u>309.33</u>	1,200.66	
2. Camp Supplies - groceries for fly camps	5 - 9		173.12	
3. Aerial Photographs & Photographs for Report				
Aerial photographs of Haines area	10	68.80		
Photographs (8" x 10") for con- sultant's report	11	<u>33.75</u>	102.55	
4. Phototopographic Map of Rink Rapids Bridge Site	12		649.00	
5. Charter Aircraft - Beaver				
Camp moving - 75% allocated	13 - 16	1,173.00		
Snow observations	17	<u>602.00</u>	<u>1,775.00</u>	<u>3,900.33</u>

YUKON IRON ORE RAILWAY FEASIBILITY STUDY

ITEMIZATION OF COSTS PAID BY CREST EXPLORATION LTD.

CATEGORY II - ABSORBED BY CREST

	<u>Schedule</u> <u>No.</u>	<u>Amount</u> <u>\$</u>	<u>Totals</u> <u>\$</u>	<u>Account</u> <u>Totals</u> <u>\$</u>
1. Company Aircraft	25 & 26		482.00	
2. Charter Aircraft for Gas Caching				
Beaver - 25% allocated to gas caching	13 - 16	391.00		
Cessna	27 & 28	<u>545.00</u>	936.00	
3. Helicopter	29		5,422.00	
4. Salary - Crest Engineer (W. C. Cook)			1,000.00	
5. Gasoline & Oil for Helicopter	18 - 24		<u>1,320.12</u>	<u>9,160.12</u>

SCHEDULES

NO.

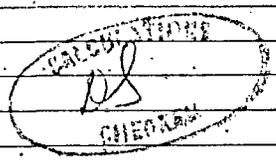
1.	W. C. Cook expense account to 9/3/64 (includes Major Charles' expenses)	608.75	
2.	Transfer memo - credit for refund of plane ticket	(11.00)	
3.	W. C. Cook expense account to 3/1/65	<u>293.58</u>	891.33
4.	Okanagan Helicopters Ltd. invoice - 10/16/64		309.33
5.	Tourist Services invoice - 8/10/64	88.86	
6.	Tourist Services invoice - 8/10/64	40.12	
7.	Tourist Services invoice - 8/10/64	29.69	
8.	Tourist Services invoice - 8/10/64	8.28	
9.	Tourist Services invoice - 8/12/64	<u>6.17</u>	173.12
10.	James W. Sewall Company invoice - 12/15/64		68.80
11.	K. T. Hyde invoice - 1/14/65		33.75
12.	V. Zay Smith Company invoice - 3/10/65		649.00
13.	Connelly-Dawson Airways invoice - 8/16/64	319.00	
14.	Connelly-Dawson Airways invoice - 8/17/64	347.00	
15.	Connelly-Dawson Airways invoice - 8/20/64	524.00	
16.	Connelly-Dawson Airways invoice - 8/22/64	<u>374.00</u>	1,564.00
17.	Connelly-Dawson Airways invoice - 3/16/65		602.00
18.	California Standard Company transfer memo	814.00	
19.	White Pass & Yukon invoice - 7/31/64	84.83	
20.	California Standard Company storehouse stock purchase 8/64	53.00	
21.	White Pass Petroleum Services - invoice 8/12/64	224.46	
22.	White Pass Petroleum Services - invoice 8/12/64	78.18	
23.	White Pass Petroleum Services - invoice 8/28/64	33.49	
24.	White Pass Petroleum Services - invoice 8/31/64	<u>32.16</u>	1,320.12
25.	California Standard Company Daily Flying Summary - 8/12/64	237.00	
26.	California Standard Company Daily Flying Summary - 8/12/64	<u>245.00</u>	482.00
27.	Connelly-Dawson Airways - invoice 8/6-7/64	455.00	
28.	Connelly-Dawson Airways - invoice 8/16/64	<u>90.00</u>	545.00
29.	Okanagan Helicopters Ltd. - invoice 10/29/64		5,422.00
30.	Salary - Crest Engineer (W. C. Cook) - not attached		<u>1,000.00</u>
			<u><u>13,060.45</u></u>

TRAVELER'S ITEMIZED EXPENSE REPORT

* STATE KIND OF TRANSPORTATION
 A - AIRCRAFT
 B - BUS
 P - PERSONAL CAR
 R - RAILROAD
 S - SHIP

COMPLETE IN INDELIBLE PENCIL, INK OR BY TYPEWRITER
 SEE REVERSE SIDE FOR INSTRUCTIONS ON USE OF THIS FORM

MONTH	DATE	PLACE	MEALS PERSONAL ONLY	HOTEL ROOM ONLY	TRANSPORTATION			OTHER			INCIDENTALS ITEMIZED
					* FARES	PULLMAN BERTH OR CHAIR	GARAGE AUTO, TAXI STREET CAR	TELEPHONE TELEGRAPH	INCIDENTALS		
Sept.	1	Whitehorse	4 40	12 00			4 00	7 35			
	2	Prince George	1 20								
	3	Vancouver					5 00				
	4										
	5										
	6										
	7										
	8										
	9						7 60			Taxi - Camp house	
Aug.	10	Vancouver									
Aug.	11	Calg. - Whitehorse	3 50		19 00		5 00		8 50	Gas	
"	12	Whitehorse	6 50	5 00					10 68	Film	
	13										
	14										
	15	Mayo	5 00	14 00			5 00		7 25	Meat	
	16										
	17										
	18										
	19	Mayo	6 00				4 00		12 04	Meat for camp	
	20										
	21										
	22	Carmacks	24 55	40 00							
	23	Carmacks									
	24	Carmacks									
	25	Carmacks									
	26	Carmacks									
	27	Whitehorse	12 90	36 00			8 00		5 25		
	28	Whitehorse					20 00		8 30	Gasoline & Miscellaneous for pickup truck	
	29	Skagway	7 50	14 28			16 25				
	30	Whitehorse					4 00				
	31	Whitehorse					4 00		12 00		
TOTAL			71 55	121 28	194 00		82 85	12 60	39 12		SUB TOTAL 521 40



MONTH	DATE	EXPENDITURES OTHER THAN PERSONAL, INCLUDING MEALS FOR GUESTS	
Aug.	15	Meals for crew	1 40
Aug.	11	Camp Expense	12 60
		Meals for J.L. Christie	70 35
TOTAL EXPENSES INCURRED			84 35

TOTAL EXPENSES INCURRED	84 35
DEDUCT: NORMAL LIVING EXPENSES - SEE PARAGRAPH 8 ON REVERSE SIDE	
TOTAL EXPENSE TO COMPANY	84 35
DEDUCT: COMPANY PURCHASE - TRANSPORTATION, HOTEL ACCOMMODATION, MOVING EXPENSES, ETC.	14 00
TOTAL OUT OF POCKET COST TO EMPLOYEE	70 35

IMPORTANT: REPORT ANY UNUSED TRANSPORTATION RETURNED						
TICKET DESCRIPTION			TRIP		DISPOSAL	
CARRIER	NUMBER	AMOUNT - IF KNOWN	FROM	TO	DATE	TO

DATE	ACCOUNTING OF CASH FUNDS	AMOUNT
	ON HAND (LAST BALANCE)	121 28
July 17/64	CASH RECEIVED	131 00
July 14/64	Payments	500 00
	TOTAL (1)	500 00
	EXPENSE (TO AGREE WITH #)	378 75
	BALANCE - IF (2) EXCEEDS (1) CIRCLE AMOUNT	121 25

THE ABOVE IS A CORRECT REPORT OF EXPENSES INCURRED
 FROM Aug 10 1964 TO Sept 5 1964
W. C. Cook
 PRINT NAME
W. C. Cook
 SIGNATURE
Engineer Crest
 POSITION PLACE OR DISTRICT

MAINTAIN ADVANCE ACCOUNT
 SEND CHEQUE TO ME AT
 OBJECT OF TRIP Crest - C.N.A. Joint Study
 TRIP AUTHORIZED BY C. D. Johnston

ACCT. DESIG.	J. V.	ORGANIZATION UNIT			AMOUNT			
No	F	SUB	PART	T/O	FLD	PROP	APPROV No.	
461			9031			400		608 75
454								174 75

APPROVED { Jessie M. Camp
 IMMEDIATE SUPERVISOR
 COUNTER SIGNED (WHEN ADDITIONAL APPROVAL REQUIRED)

454
 CODED BY DS
 CHECKED BY RA
 000042

TRAVELER'S ITEMIZED EXPENSE REPORT

* STATE KIND OF TRANSPORTATION
 A - AIRCRAFT
 B - BUS
 P - PERSONAL CAR
 R - RAILROAD
 S - SHIP

COMPLETE IN INDELIBLE PENCIL, INK OR BY TYPEWRITER
 SEE REVERSE SIDE FOR INSTRUCTIONS ON USE OF THIS FORM

MONTH	DATE	PLACE	MEALS PERSONAL ONLY	HOTEL ROOM ONLY	TRANSPORTATION			OTHER		INCIDENTALS ITEMIZED
					* FARES	PULLMAN BERTH OR CHAIR	GARAGE AUTO, TAXI STREET CAR	TELEPHONE TELEGRAPH	INCIDENTALS	
	1									
	2									
	3									
	4									
	5									
	6									
	7									
	8									
	9									
	10									
Jan	12	Edmonton	2.50		24.00		5.00			CALGARY TO WHITEHORSE AND RETURN \$176.00
Feb	15	Calgary - Whitehorse	3.50	8.00	141.10		3.00		21.50	Purchase 250 ⁰⁰ U.S. Trav. cheques
	16	Whitehorse - Dawson	6.00	5.00			3.50			
	17	Dawson - Whitehorse	5.50	8.00			7.00			CHARGEABLE EXPENSES \$293.58
	18	Whitehorse - Juneau	6.50	5.50	6.50		4.00			
	19	Juneau	8.00	14.94	20.64					
	20	Juneau - Anchorage	6.50	18.00			3.50		3.00	Tips.
	21	Anchorage	11.00	18.00			2.00			
	22	"	10.50	18.00						
	23	"	11.25	18.00						
	24	"	10.00	18.00			2.00	2.75	5.75	Laundry.
	25	Anchorage - Seattle	8.50				4.00			
	26	Seattle - Calgary	5.50				12.50		2.00	Tips.
	27									
	28									
	29									
	30									
	31									
TOTAL			95.25	131.44	452.24		48.50	2.75	32.25	SUB TOTAL 762.43

MONTH	DATE	EXPENDITURES OTHER THAN PERSONAL, INCLUDING MEALS FOR GUESTS	
Feb	17	Extraordinary Expense - White Pass Yukon Passmail	13.50
Feb	24	" " - Social Staff	20.00

TOTAL EXPENSES INCURRED	795.93
DEDUCT: NORMAL LIVING EXPENSES - SEE PARAGRAPH 8 ON REVERSE SIDE	
TOTAL EXPENSE TO COMPANY	795.93
DEDUCT: COMPANY PURCHASE - TRANSPORTATION, HOTEL ACCOMMODATION, MOVING EXPENSES, ETC. TCA-689-5448	425.10
TOTAL OUT OF POCKET COST TO EMPLOYEE	370.83

TICKET DESCRIPTION	TRIP	DISPOSAL
CARRIER: Pac Wain. (102) 0144-689-5448	FROM: Dawson, Y.T. TO: Anchorage, Alaska	DATE: March 3/65 TO: Calgary, Tych. Div

DATE	ACCOUNTING OF CASH FUNDS	AMOUNT
Dec. 31/65	ON HAND (LAST BALANCE)	35.00
Feb. 12/65	CASH RECEIVED	200.00
	TOTAL	235.00
	EXPENSE (TO AGREE WITH #)	370.83
	BALANCE - IF (2) EXCEEDS (1) CIRCLE AMOUNT	135.83

THE ABOVE IS A CORRECT REPORT OF EXPENSES INCURRED.
 FROM Jan 1 1965 TO Feb. 28 1965
 W. C. Cook
 PRINT NAME
 W. C. Cook
 SIGNATURE
 Engineer POSITION
 Calgary PLACE OR DISTRICT

ACCT. DESIG.	J.V.	ORGANIZATION UNIT			AMOUNT
		No.	F	SUB	
412	1	15			475.73
061			903	1	320.10
					425.10
501				003	370.83

MAINTAIN ADVANCE ACCOUNT REDUCE ADVANCE
 SEND CHECKS TO ME AT CHECKS ATTACHED
 OBJECT OF TRIP: *Cost \$320.00*
 TRIP AUTHORIZED BY: *W. C. Cook \$275.93*
 APPROVED: *[Signature]*
 COUNTER SIGNED WHEN ADDITIONAL APPROVAL REQUIRED
 REVIEWED: *[Signature]*
 CODED BY: *[Signature]* CHECKED BY: *[Signature]*
 MAR 10 1000044

TOURISTS' SERVICES LTD

Document disclosed under the Access to Information Act
Document divulgué en vertu de la Loi sur l'accès à l'information

WHOLESALE GROCERY DEPT.
WHITEHORSE, Y. T.

INVOICE NO. _____
DATE: 10/6/64 19__

SOLD TO: The California Standard Company 13055-x ORDER NO. _____

ADDRESS: Great Exploration SHIP VIA: Call

COD	CRM	CHG	PART

ITEM	QUANTITY	PACK	SIZE	DESCRIPTION	SHIP'D.	PRICE	AMOUNT
	10			T - Bone Steaks <i>takin</i>	13	1.39	18.07
	10			T - Bone Steaks	115	1.39	15.99
	2	lbs		Veal Cutlets	25	1.12	2.80
	2	pkts		Frying Chicken <i>Chicken strips</i>	52	1.19	2.78
	1	lb		Beef Sausage <i>Beef sausage</i>	145	0.59	0.81
	2	slabs		Side Bacon <i>Side Bacon</i>	115	0.58	10.15
	2			Cottage Rolls	134	0.74	3.52
	2	lbs		Weiners <i>C.P.</i>	2	0.54	1.08
	2	5s		Rolled Roast Beef	24	1.07	10.08
	3	only		1 lb tins Ham	21	1.65	3.33
	12	doz		Eggs	12	0.61	7.32
	10	tins		Butter	10	0.85	8.50
	2	lbs		Chesse	2	0.35	1.10
	6	tins		Peas	6	2/43	1.27
	6	tins		Yellow Peas	6	2/43	1.47

SEP 15 1964

TERMS: _____

APPROVED: _____

CHECKED: _____

DATE PAID: _____

IMMEDIATE COPY

DATE: 11 Dec 1964

12-10-56

57

NO CLAIMS ALLOWED UNLESS REPORTED UPON RECEIPT OF GOODS

KEYSTONE BUSINESS FORMS LTD - VANCOUVER

CHECKER: _____ TOTAL 88.00 000046

TOURISTS' SERVICES LTD.

WHOLESALE GROCERY DEPT.

WHITEHORSE, Y. T.

INVOICE NO. _____

DATE August 10/64 19__

SOLD TO California Standard 6-13055-2 ORDER NO. _____

ADDRESS Great Exploration SHIP VIA Call Wednesday

COD	CRM	CHG	PART

ITEM	QUANTITY	PACK	SIZE	DESCRIPTION	SHIP'D.	PRICE	AMOUNT
	12	tins		Mushrooms	12	43	516
	12	20oz tins		Apple Juice Clear	12	247	2880
	12	20oz tins		Orange Juice	12	375	4500
	6	tins		Asparagus	6	44	264
	6	tins		Corn Niblets	6	251	1506
	12	tins		Apple Pie Mix	12	36	432
	6	tins		Blueberry Pie Mix	6	50	300
	1	tin		Marmalade	1	107	107
	1	tin		Strawberry Jam	1	150	150
	3	1qt		Maple Syrup	3	80	240
	6	1/2gals		Dream Whip	6	30	180
	6	tins		Shrimp	6	52	312
	6	1/2s		Salmon	6	36	216
	1	1/2g		Baking Soda	1	25	25
	4	12 oz		White Rice	4	59	236
	1	1lb		Tea	1	122	122
		1/2g		Corn Starch	1	27	27

SEP 15 1964

TERMS: _____

APPROVED: _____

CALC. CHECKED: _____

DATE PAID: _____

COMMODITY CODE: _____

COPY _____

ORIG. _____ EXP. _____

12-10-55

(56)

NO CLAIMS ALLOWED UNLESS REPORTED UPON RECEIPT OF GOODS

KEYSTONE BUSINESS FORMS LTD.-VANCOUVER

CHECKER _____

TOTAL 40,000.47

000047

TOURISTS' SERVICES LTD.

Document disclosed under the Access to Information Act
Document divulgué en vertu de la Loi sur l'accès à l'information

WHOLESALE GROCERY DEPT.
WHITEHORSE, Y. T.

INVOICE NO. _____

DATE August 10/64 19__

SOLD TO California Market LFO C - 13055-x ORDER NO. _____

ADDRESS Great Exploration SHIP VIA Call Vancouver

COD	CRM	CHG	PART

ITEM	QUANTITY	PACK	SIZE	DESCRIPTION	SHIP'D.	PRICE	AMOUNT
	5	lbs		Lard	5	29	145
	10	lbs		Milk	10	390	390
	10	lbs		White Bread	10	27	270
	1	24 oz.		Mayonnaise	1	85	85
	1	24 oz		Sweet Mixed Pickles	1	67	67
	4	pkgs		Mixed Cookies	4	47	188
	3	jars		French Dressing	3	35	105
	4	tins		Mixed Nuts	4	67	268
	2			Requefort Dressing	2	89	178
	2	pkts		Radishes	2	30	60
	2	hd		Lettuce	2	108	216
	2	dos		Oranges	2	354	708
	6			Grapofruit	6	37	222
	4			Baskets Fresh Fruit	4	37	148
	2	bar		Salami	2	38	76
	25	lbs		Peppers	1	252	252

SEP 15 1964

TERMS: _____

APPROVED: _____

CALC. CHECKED: _____

DATE PAID _____

COMMODITY CODE: _____

COPY _____

ORIG. _____ DUP. _____

12-10-54

Not with sending
2/4 30
2 108
6 354
4 37
2 38
1 252

CHECKER (55) TOTAL 2901.11

000048

NO CLAIMS ALLOWED UNLESS REPORTED UPON RECEIPT OF GOODS

KEYSTONE BUSINESS FORMS LTD. - VANCOUVER

TOULISTS' SERVICES LTD.

WHOLESALE GROCERY DEPT.

WHITEHORSE, Y. T. 6 595

INVOICE NO. _____

DATE _____ 19__

SOLD TO California Supermarket LTD. 13055 ORDER NO. _____

ADDRESS Great Exploration SHIP VIA 11

COD	CRM	CHG	PART	

ITEM	QUANTITY	PACK	SIZE	DESCRIPTION	SHIP'D.	PRICE	AMOUNT
	5			Green Onions	2	3/17	8.5
	2	lbs		Pumpkins	2	3/15	7.0
	24	1 lb		Bananas	4	4.4	1.2
	5	lbs		Apples		5.5	9.5
	5	lbs		Spanish Onions	15	16	2.40
	8			1/2 lb 1/2 lb 1/2 lb			
	1			Spatula		50	50
	2	8"		2 egg size Frying	2	81	1.62

SEP 15 1964

TERMS: _____

APPROVED: _____

CALC. CHECKED: _____

DATE PAID _____

COMMODITY CODE: _____

TOLUPEY _____

ORIG. IDUR. P. _____

12-10-53

54

NO CLAIMS ALLOWED UNLESS REPORTED UPON RECEIPT OF GOODS

KEYSTONE BUSINESS FORMS LTD. - VANCOUVER

CHECKER _____

TOTAL 8.2 000049

TOURISTS' SERVICES LTD.

Document disclosed under the Access to Information Act
Document divulgué en vertu de la Loi sur l'accès à l'information

WHOLESALE GROCERY DEPT.
WHITEHORSE, Y. T.

Q 7020

INVOICE NO. _____

DATE Aug 12 64

SOLD TO California Steward Co.

ORDER NO. 6-12055 - X

ADDRESS Grest Exploration

SHIP VIA REG Whitepass

COD	CRM	CHG	PART
		X	X

ITEM	QUANTITY	PACK	SIZE	DESCRIPTION	SHIP'D.	PRICE	AMOUNT
✓	1 only	gal		Mazola oil			3 27
✓	1	24	10	Milk choc. Bars <i>unsweet!</i>			7 00
✓	1	20	6	Chicklets			90

SEP 15 1964

TERMS: _____

APPROVED: _____

PAY. METHOD: _____

DATE PAID: _____

CUSTOMER COPY: _____

DATE: _____

12-10-45

[Handwritten signature]

(52)

000050

NO CLAIMS ALLOWED UNLESS REPORTED UPON RECEIPT OF GOODS

KEYSTONE BUSINESS FORMS LTD. - VANCOUVER

CHECKER

TOTAL 17

41

ORIGINAL INVOICE
JAMES W. SEWARD COMPANY
Consultants

PHOTOGRAMMETRY
 FORESTRY
 MUNICIPAL MAPPING
 GEOLOGY
 CIVIL ENGINEERING

OLD TOWN, MAINE

PLANNING and
 URBAN RENEWAL

TELEPHONE • AREA CODE 207 - 827-4419

SOLD TO • CREST EXPLORATION, LTD.
 329-A SIXTH AVE.
 S.W. CALGARY, ALBERTA, CANADA

W.S. Seward

SHIP TO MR. J.L. CHARLES
 ROOM 460
 CANADIAN NATIONAL RAILWAY STATION
 WINNIPEG, MANITOBA, CANADA

YOUR ORDER NUMBER AND DATE Letter dtd 12-2-64	SHIP VIA Spec Handling First Class	INVOICE DATE 12-15-64	INVOICE NO. 700
QUANTITY	DESCRIPTION OF ITEM		AMOUNT

62

Contact prints double weight semi-matte of the Haines
 area as requested. @ \$1.00 each.....
 Postage.....
 1 each of the following Total.....

\$62.00
 2.00
 \$64.00
 1.80
 68.80

HNS-9-15 to 32
 9A-1 to 5
 8-1 to 27
 8-8 to 16

US CODE	PAYEE	INVOICE No.	ACCT.	F	SUB	J.V.	PART	FLO	PROP	APPROP.	AMOUNT
			061				10-1		400		68.80
CODED BY: <i>6</i>		CODES CHECKED:		REMOVED BY:							

OK to pay
Jessie W. Camp
Railway Engineering

9/6

BRANCH • BOX 810 CORDOVA, ALASKA

CALGARY, ALBERTA March 9, 1965

Crest Exploration Ltd.
c/o The California Standard Company INVOICE No 00368
329a - 6th Avenue
ATTENTION OF Mr. L. W. Camp PROJECT C.1-5

IN ACCOUNT WITH
V. ZAY SMITH ASSOCIATES LTD.
1143 17TH AVENUE S.W., CALGARY, ALBERTA. PHONE CH 4-5551

Your Service Order #S64001

Professional fee re Yukon Crossing ----- \$ 649.00

US CODE	PAYEE	INVOICE No.	ACCT.	F	SUB	J V		ORG UNIT			AMOUNT
						PART	%	FLD	PROP	APPROP.	
	0032	00368	061			100	1		100		649.00
CODED BY: <i>6</i>		CODES CHECKED:		REVIEWED BY: <i>[Signature]</i>							

73

TERMS:	<i>Net</i>
APPROVED:	<i>[Signature]</i>
CALC. CHECKED:	<i>[Signature]</i>
CODED BY:	<i>[Signature]</i>
DATE:	

119/3/65

12

Account - Crest Exploration Ltd.

CREST EXPLORATION LTD. 10000 100th Ave. N.W. CALGARY ALBERTA T2C 1K8

Crest Exploration
The California Standard Company
Calgary, Alberta

5-0 #547113

DATE	TICKET NO.	DESCRIPTION	AMOUNT
Aug 16 64	6352	Charter from Dawson - Mayo - Kathleen Lake - Mayo - Kathleen Lake - Mayo Cargo: gas, supplies, camp equipment Aircraft: Beaver 3 hours 45 minutes @ 85.00 / hour (\$318.90)	\$ 319.00

SEP 10 1964
TERMS:
APPROVED:
GEN. MGR. CHGD:
DATE PAID
COMMODITY CODE:
U.S.

*Crest
Sept 64
12-7-46*

11-
000054

INVOICE

Canadian Northern Airways Ltd.

"SERVING THE NORTH"

HEAD OFFICE: WILKINSON BUILDING, YUKON
 BRANCHES: WHITE MOUNTAIN, YUKON
 INDIAN RIVER, N.W.T.

Crest Exploration
 The California Standard Company
 Calgary, Alberta

S.O. #54643

DATE	TICKET NO.	PARTICULARS	AMOUNT
Aug 17 64	6355	Charter from Mayo - Pelly River - Moose Lake - Mayo - Ornape Lake - Oftell Lake - Kathleen Lake - Mayo Purpose: Gas caching & <i>CAMP MOVE</i> Aircraft: Beaver 4 hours 5 minutes @ 85.00 / hour (\$347.10)	\$ 347.00

10 1964
TERMS:
APPROVED:
CALC. CHECKED:
DATE PAID:
BY:
12/21

*Crest
 Sept 64
 12-7-45*

46

Comptroller - General of the Yukon

YUKON
 DEPARTMENT OF
 MINES AND TECHNICAL SURVEYS

Crest Exploration
 The California Standard Company
 Calgary, Alberta

5000056

DATE	TICKET NO.	DESCRIPTION	AMOUNT
Aug 20 64	6356	Charter from Dawson - Mayo - Kathleen Lake - Moose Lake - Penapo Lake - Kathleen Lake - Moose Lake - Mayo - Dawson Purpose: Gas caching and transportation of camp equipment Aircraft: Beaver 6 hours 10 minutes @ 85.00 / hour (\$524.20)	\$ 524.00

1	6356
DATE	PAID
CHRG. TO:	
DATE	PAID
CHRG. TO:	
DATE	PAID
CHRG. TO:	
DATE	PAID
CHRG. TO:	

*Crest
 Sept 64
 12-7-49*

5000056

Crowley-Duncan Airways Ltd.

"SERVING THE NORTH"

HEAD OFFICE: DAWSON CITY YUKON
 BRANCHES AT: MAYO YUKON
 HUDON, S.W.T.

Crest Exploration
 The California Standard Company
 Calgary, Alberta

S.O.# 217-7113

DATE		TICKET NO.	PARTICULARS	AMOUNT
Aug 22	64	6357	Charter from Dawson - Mayo - Moose Lake - Carmacks - Little Salmon Lake - Moose Lake - Mayo Cargo: gas, camp equipment Aircraft: Beaver 4 hours 25 minutes @ 85.00 / hour	375 (\$374.30) <u>\$ 374.00</u>

SEP 10 1964	
TERMS:	
APPROVED:	
CALC. CHECKED:	
DATE PAID	
COMMENTS CODE:	
ORIG.	1332

*Crest
 Sept 1964
 12-7-44*

45

16

Connelly-Dawson Airways Ltd.

No 6832

DATE FEB 11 1965

AIRCRAFT OF ENK

TYPE BEAUCON CREST Exp

CHARTER FROM Dawson

	TO:	MILES	HOURS	PSGRS.	CARGO LBS	PASSENGERS NAMES OR REMARKS
1.	SHARPE STR		3:05	2	1100	MRS. CHARLES
2.	MA		2:00	2	✓	Bill Cook
3.	BY		2:00	2	✓	
4.						
5.						
6.						

*great
march 1/65*

7.05 @	Per Hour	662 00
@	Per Mile	

WAITING TIME Hours @ Per Hour

REMARKS: _____

REFUND	
TOT. CHARGES	100 000058

PURCHASE ORDER No. _____

STOREHOUSE STOCK PURCHASES

No. 4423

SUPPLIED BY CAEST EXPLORATION LTD

AUGUST 1964

STOREHOUSE IRON CREEK AIRSTRIP

GROUP	DESCRIPTION	QUANTITY	QUANTITY POSTING	AMOUNT
AIRSTRIP	GENERATOR (ARMSTRONG SIDDELY) DIESEL OIL (SAE 30)	10 GALS 5 GALS		
R.R. SURVEY	HELICOPTER ISH GAS (80/87)	48 GALS		35.00
	OIL (EO GRADE UNCOMP)	24 Qts.	@ .75	18.00
	N.R. GAS (80/87)	90 GALS		66.00
	L. CAMP			

8.300
53

AUTHORIZED EMPLOYEE TO ACKNOWLEDGE RECEIPT OF MATERIALS BY SIGNING IMMEDIATELY BELOW LAST LISTED ITEM.

REMARKS

TOTAL

000061

THIS IS YOUR INVOICE

No. **33795422**



STATION <i>White</i>	CODE	DATE <i>Aug 12 1964</i>
SHIPPED TO <i>PELL King</i>	VIA	<i>119</i>
CODE	INTER. CO.	CUSTOMER'S ORDER OR REQ No <i>13061</i>
TRANSFER TO	WP NO.	LOC.
DELIVERED BY		

SOLD TO (PRINT) *Calif. Gas & Standard Oil Co.*

ADDRESS *Co.*

PRODUCTS DELIVERED	COMPT	SIZE OF PACKAGE	CODE	QUANTITY	PRICE EX.	AMOUNT
--------------------	-------	-----------------	------	----------	-----------	--------

CHEVRON SUPR
CHEVRON GASO
STANDARD STO
LOW POUR DIES

Acc

DATE

OCT 20 1964

TERMS: *Net 30*

APPROVE PRODUCTS RE

CALC. CHECKED: *y*

BY: *DAY PAID*

APPROVED

COMMUNITY CODE: *09*

CRIG. DUP.

US CODE	PAYEE	INVOICE No.	ACCT.	F	SUB	J.V.			ORGANIZATION UNIT			AMOUNT
						PART.	T/O	FLD.	PROP.	APPROP.		
	<i>9757</i>	<i>337954061</i>				<i>1031</i>			<i>400</i>			<i>7818</i>
												<i>3762</i>
												<i>2701</i>
												<i>1386</i>

Coded by: *b* Codes Checked: *1/20* Reviewed by: *(68)*

FORM OIL 755 (REV. 1962)

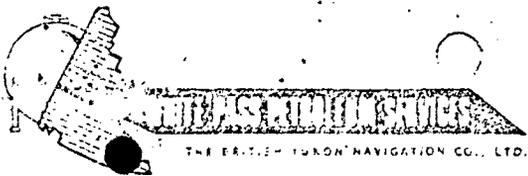


S. 28's _____

EXCH. _____

TOTAL _____

DRUM CHARGES	799	00	0	<i>2/10/64</i>	<i>2900</i>
DRUM CREDITS	799	00	0		()
TERMS—Net Cash (No. Discount)	TOTAL				<i>7818</i>



WHITING AIRPORT
 RECEIVED
 INVOICE NO. 452548
 DATE 8/28/64

SOLE TO ORDER: **STANDARD OIL OF CALIFORNIA**
 ADDRESS: **CALGARY**
 CREST EXPCO
 CUSTOMER'S ORDER OR REC NO: **CF-15H**
 DELIVERED BY: *R.A. Fisher*

PRODUCTS DELIVERED	SIZE OF PACKAGE	QUANTITY	PRICE PER UNIT	AMOUNT
CHEVRON SUPREME GASOLINE				
CHEVRON GASOLINE				
# 80 OIL	80 GAL	16	49	7.84
80/57	IMP GAL	16	51.3	8.21
80/57	IMP GAL	34	51.3	17.44

MPA Crest's Helicopters

OK to pay

PRODUCTS RECEIVED

RECEIVED PAYMENT

BY: *[Signature]*

APPROVED

CHECKED

CASH	CG CODE	PAID	INVOICE No.	ACCT.	F	SUB	J-V	PART	FLO	PROP	APPROV.	AMOUNT
		9757	452548	061				9031		400		32.49

CODED BY: *[Signature]*

REVIEWED BY: *[Signature]*

52

33.49

000064



THIS IS YOUR
INVOICE

Document disclosed under the Access to Information Act
Document divulgué en vertu de la Loi sur l'accès à l'information

No. 34262124

STATION WHITE HORSE	CODE	DATE AUG 31 19 64
SHIPPED TO		VIA

SOLD TO (PRINT) CAL-STANDARD	CODE	INTER. CO.	CUSTOMER'S ORDER OR REQ NO 13061
ADDRESS RENNETT	TRANSFER TO	WP NO.	LOC.
			DELIVERED BY

PRODUCTS DELIVERED	COMPT	SIZE OF PACKAGE	CODE	QUANTITY	PRICE EX TERM TAX	AMOUNT
--------------------	-------	-----------------	------	----------	----------------------	--------

CHEVRON SUPREN
CHEVRON GASOLI
STANDARD STOVE
LOW POUR DIESE
AVIA

U.S. CODE	PAYEE	INVOICE No.	ACCT.	F	SUB	J.V.		ORGANIZATION UNIT			AMOUNT	
						PART.	T/O	FLD.	PROP.	APPROP.		
		9757	342621-61			900	1		400			32 16
												20 16

Coded by: **6**

Codes Checked: **1120**

Reviewed by: **(69)**

BY: **[Signature]**

APPROVED

CHECKED

S. 28'S DTY
GAGE: **07**
EXCH.
TOTAL COPY
ORIG. DCP.

DRUM CHARGES	199	00	0	HEAVY	12 00
DRUM CREDITS	799	00	0		()
TERMS—Net Cash, (No Discount)	TOTAL				32 16

FORM OIL 755 (REV. 1962)

Crest Exploration
The California Standard Company
Box 2930
Whitehorse, Y.T.

50412464

DATE

TICKET NO.

Aug 6-7 64 5740

Charter from Mayo - Bonnetto Plume Lake - Mayo - Goz Pass -
Mayo - Bonnetto Plume Lake - Mayo

Purpose: Gas caching

Aircraft: Cessna 180

7 hours 35 minutes @ 60.00 / hour

\$ 455.00

1964
PERMITS
APPROVALS
CALC.
CHARGES
PAID
COMP. CODE
COPY
DATE
INIT.

*Crest
Sept 64
12-7-47*

10
000068
21

28

Donnell - Whitehorse Co.

SERVING THE NORTH

HEAD OFFICE WHITEHORSE YUKON
 BRANCH

Crest Exploration
 The California Standard Company
 Box 2930
 Whitehorse, Y.T.

50754143

DATE	TICKET NO.	DESCRIPTION	AMOUNT
Aug 18 64	6332	Charter from Mayo - Kathleen Lake - Mayo Purpose: Gas caching Aircraft: Cessna 180 1 hour 30 minutes @ 60.00 / hour	\$ 90.00

1964	
TYPE:	
APPROVED:	
CASH CHECKED:	
DATE PAID	
CHECKED BY:	
COPY	
DUPLICATE	

*crest
 Sept 64
 12-7-48*

49

28



OKANAGAN HELICOPTERS LTD.
 VANCOUVER AIRPORT, B. C.
 TELEPHONE: 278-5502

TO

The California Standard Company of Canada,
 Medical Arts Building,
 329A - 6th Avenue S. W.,
 Calgary, Alberta.

Date October 29, 1964

Invoice No. 10/231 R-146

P.O. No.

Authority

CREST EXPLORATION

RR. Survey TIME 22 Days

$\frac{22}{31} \times 7640 = 5422.00$

FINAL BILLING

To charter of Bell G2 helicopter CF-HJT (ISH) for the period of June 5 - September 2, 1964.

	HOURS	RATE	TOTAL	MINIMUM	
June 5 - July 4, 1964	^{16:15} 49:10	\$ 95.50	\$ 4,695.42	\$ 7,640.00	13 days US
July 5 - Aug. 3, 1964	51:10	95.50	4,886.42	7,640.00	
Aug. 4 - Sept. 2, 1964	^{16:05} 79:05	95.50	7,552.45	7,640.00	
	<u>179:25</u>		\$ 17,134.29	\$ 22,920.00	
Plus gas and oil supplied by carrier 17 hours and 40 minutes @ \$7.50 per hour			<u>132.50</u>	<u>132.50</u>	
			<u>\$ 17,266.79</u>	<u>\$ 23,052.50</u>	

Greater of actual or minimum (minimum)

23,052.50

Less invoice #6/102 \$ 7,640.00
 7/43 7,640.00
 8/66 7,640.00

22,920.00

\$ 132.50



Crest fuel for ferry flight

Flight tickets checked O.K. M. Hall

O.K. for payment J.M. Camp

N.B. Flight reports attached for CF-HJT June 7 and 18, 1964,
 CF-ISH August 1 - September 1, 1964.

10-231				AMOUNT
7210	1061	900	200	132.50
YEAR ROUND BASES THROUGHOUT B.C.				000070

*P.A.M.D.
26/3/65
EJG*

*Sent
26/3/65
EJG*

H.G. Nicholson, Esq.,
President,
Crest Exploration Limited,
Medical Arts Building,
329A-6th Avenue S.W.,
Calgary, Alberta.

Ottawa 4, March 26, 1965.

355-1-1

Dear Mr. Nicholson,

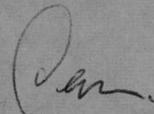
Railway - Snake River to Tidewater

We have received your letter of March 12, 1965, and the details supporting your statement of out of pocket expenses totalling \$5,254.45.

We agree that probably the major portion of costs you have incurred are chargeable against the cost of the study. However, we do question whether or not your out of pocket expenses of \$1,320.12 for gasoline and oil could be considered as chargeable to the cost of the study. Section 5(b) of the Agreement states "The Company will, for the performance of the work to be performed by the Consultant hereunder, and at no cost to the Consultant, provide adequate caches of gasoline at suitable locations for use by the said helicopter".

It is suggested that you provide details of the remaining costs to the CNR for settlement and inclusion with their statement of account for conducting the feasibility study.

Yours sincerely,



A.B. Yates,
Chief, Engineering Division

P.N.Thompson/lm/h

PH

PA fnd
17-3
R9

SENT
MAR 17 1965

D.F. Purves, Esq.,
Assistant Vice President,
Research and Development,
Canadian National Railways,
P.O. Box 8100,
Montreal, Quebec.

Ottawa 4, March 17, 1965.

Dear Mr. Purves,

Thank you for your letter of March 15, 1965, with the Supplementary Report prepared by Major J.L. Charles attached. This report is now being reviewed by our Resources Division.

Yours sincerely,

K. W. Stairs

K.W. Stairs,
Assistant Chief,
Engineering Division

K.W. Stairs/rd/d

PA file
17/3/65
PRT

H. G. Nicholson, Esq.,
President,
Crest Exploration Limited,
329-A 6th Avenue S.W.,
Calgary, Alberta.

Ottawa 4, March 17, 1965

355-1-1

SENT
MAR 17 1965

Dear Mr. Nicholson,

Railway - Snake River to Tidewater

Thank you for your cheque in the amount of \$25,000.00 to cover your share of the cost of the C.N.R. railway feasibility study. We enclose herewith our general receipt for this amount.

The C.N.R. have been requested to submit the details of the costs they incurred in preparing the study. When these details are received we shall pass this information along to you.

Yours sincerely,

ORIGINAL SIGNED BY
A. B. YATES

P.N.Thompson/mc/h

A. B. Yates,
Chief, Engineering Division

PRT

✓

REC'D
26/3 1965
78
Notes
Ottawa 4, March 16, 1965

SENT
MAR 16 1965

Handwritten notes:
C.N.R.
3/18/65
3/19/65
3/21/65
3/24/65
3/26/65
3/27/65
3/28/65
3/29/65
3/30/65
3/31/65
15/4/65

D. F. Purves, Esq.,
Assistant Vice-President,
Research and Development,
Canadian National Railways,
P.O. Box 8100,
Montreal, P.Q.

355-1-1

Dear Mr. Purves,

We have not as yet received an invoice from the C.N.R. detailing expenditures incurred in the preparation of the report made by Major J.L. Charles, C.N.R. Consulting Engineer, giving an assessment of the cost of constructing a railway extending from the Crest Exploration property at Snake River to Tidewater.

Early receipt of this invoice would be appreciated as we are most anxious to finalize this matter.

Yours sincerely,

ORIGINAL SIGNED BY
A. B. YATES

A. B. Yates,
Chief, Engineering Division

P.N. Thompson/jk/H

✓

PA to 12.
See reply
17-3
R.G.



Canadian National Railways

D. F. Purves
Assistant Vice President

Research and Development

P. O. Box 8100,
Montreal, Quebec,
15 March, 1965.

Barry
16/3/65

Mr. Karl W. Stairs,
Assistant Chief
and Planning Engineer,
Northern Administration Branch,
Department of Northern Affairs
and National Resources,
Ottawa 4, Ontario.

Dear Mr. Stairs:

When last talking with you, respecting the Report being made by Major J. L. Charles for the Department of Northern Affairs and National Resources and Crest Exploration, I mentioned that Major Charles had been asked by Crest Exploration if he would prepare a Supplementary Report on the basis of 3,500,000 tons annually.

Herewith a copy of Supplementary Report made on the basis of 3,500,000 tons annual shipments.

Major Charles has sent a copy of this report to Mr. H. G. Nicholson, President, Crest Exploration Limited, Calgary, direct.

Yours very truly,

James Purves

*Report sent to
Resource,
16/3/65*



CREST EXPLORATION LIMITED

MEDICAL ARTS BUILDING, 329A - 6TH AVENUE S.W.
CALGARY, ALBERTA.

*see
reply 26/3/65
nD*

March 12, 1965

Your File: 355-1-1

NORTHERN ADMIN. BRANCH	
OTTAWA, ONT.	
No.	1115
FILE	355-1-1
REFER TO	K4

Mr. A. B. Yates,
Chief, Engineering Division,
Dept. Northern Affairs & National Resources,
Ottawa, Canada

Dear Mr. Yates:

Further to our letter of March 3, we enclose an accounting of Crest expenditures in connection with our jointly sponsored Yukon iron ore railway feasibility study conducted by the CNR.

Under the terms of the agreement, Crest undertook to furnish the following fixed-cost items at no charge to the study account:

1. Helicopter time for the survey
2. Company aircraft for gas caching No -
3. Civil Engineer to assist Major Charles
4. Camp facilities at Snake River

adequate caches of gasoline at suitable locations for use by acid helicopters

Crest expenditures under category I in the enclosed accounting are those which were not included in the above listed items. These are out-of-pocket costs for:

Travel Expenses	\$1,200.66
Camp Supplies	173.12
Photographs	102.55
Phototopographic Map	649.00
Charter Aircraft	1,809.00
Gasoline and Oil	1,320.12
Total	<u>\$5,254.45</u>

The charter aircraft costs included above are those incurred by Major Charles and W. C. Cook in moving fly camps and observing snow conditions.

Mr. A. B. Yates

- 2 -

March 12, 1965

The California Standard Company aircraft, with which the gasoline was to be cached, was not available when needed and Crest has absorbed the cost of caching by charter aircraft.

The charges which Crest has absorbed on behalf of the study are listed under category II of the enclosed accounting and include:

Company Aircraft	\$ 482.00
Charter Aircraft	1,752.00
Helicopter	5,422.00
Engineer's Salary	<u>1,000.00</u>
Total	\$8,656.00

We feel that the costs under category I are properly chargeable against the joint effort and hope that you will find this accounting to be satisfactory. All costs except the engineer's salary are supported by invoices, etc., copies of which are attached as schedules 1 to 29. If there is any question regarding this accounting we will be happy to supply additional information.

Yours very truly,


H. G. NICHOLSON

LWC/dh
Encls.

YUKON IRON ORE RAILWAY FEASIBILITY STUDY

ITEMIZATION OF COSTS PAID BY CREST EXPLORATION LTD.

	<u>Schedule No.</u>	<u>Amount \$</u>	<u>Totals \$</u>	<u>Account Totals \$</u>
I. Costs Chargeable to the Job Account				
1. Travel Expense				
Crest's engineer (W. C. Cook) & Major Charles	1 - 3	891.33		
Helicopter crew - while working out of motels	4	<u>309.33</u>	1,200.66	
2. Camp Supplies - groceries for fly camps	5 - 9		173.12	
3. Aerial Photographs & Photographs for Report				
Aerial photographs of Haines area	10	68.80		
Photographs (8" x 10") for consultant's report	11	33.75	102.55	
4. Phototopographic Map of Rink Rapids Bridge Site	12		649.00	
5. Charter Aircraft - Beaver				
Camp moving - 50% allocated	13 - 16	1,207.00		
Snow observations	17	<u>602.00</u>	1,809.00	
6. Gasoline and Oil for Helicopter	18 - 24		<u>1,320.12</u>	
				5,254.45

YUKON IRON ORE RAILWAY FEASIBILITY STUDY

ITEMIZATION OF COSTS PAID BY CREST EXPLORATION LTD.

	<u>Schedule No.</u>	<u>Amount \$</u>	<u>Totals \$</u>	<u>Account Totals \$</u>
II. Costs Absorbed by Crest Exploration				
1. Company Aircraft	25 & 26		482.00	
2. Charter Aircraft for Gas Caching				
Beaver - 50% allocated to gas caching	13 - 16	1,207.00		
Cessna	27 & 28	<u>545.00</u>	1,752.00	
3. Helicopter	29		5,422.00	
4. Salary - Crest Engineer (W. C. Cook)			<u>1,000.00</u>	8,656.00

SCHEDULES

<u>NO.</u>	<u>ITEM</u>	<u>AMOUNT</u> \$
1.	W. C. Cook expense account to 9/3/64 (includes Major Charles' expenses)	608.75
2.	Transfer memo - unrelated costs transferred out of account	11.00
3.	W. C. Cook expense account to 3/1/65	293.58
4.	Okanagan Helicopters Ltd. invoice - 10/16/64	309.33
5.	Tourist Services invoice - 8/10/64	88.86
6.	Tourist Services invoice - 8/10/64	40.12
7.	Tourist Services invoice - 8/10/64	29.69
8.	Tourist Services invoice - 8/10/64	8.28
9.	Tourist Services invoice - 8/12/64	6.17
10.	James W. Sewall Company invoice - 12/15/64	68.80
11.	K. T. Hyde invoice - 1/14/65	33.75
12.	V. Zay Smith Company invoice - 3/10/65	649.00
13.	Connelly-Dawson Airways invoice - 8/16/64	319.00
14.	Connelly-Dawson Airways invoice - 8/17/64	347.00
15.	Connelly-Dawson Airways invoice - 8/20/64	524.00
16.	Connelly-Dawson Airways invoice - 8/22/64	374.00
17.	Connelly-Dawson Airways invoice - 3/16/65	602.00
18.	California Standard Company transfer memo	814.00
19.	White Pass & Yukon invoice - 7/31/64	84.83
20.	California Standard Company storehouse stock purchase 8/64	53.00
21.	White Pass Petroleum Services - invoice 8/12/64	224.46
22.	White Pass Petroleum Services - invoice 8/12/64	75.18
23.	White Pass Petroleum Services - invoice 8/28/64	33.49
24.	White Pass Petroleum Services - invoice 8/31/64	32.16
25.	California Standard Company Daily Flying Summary - 8/12/64	237.00
26.	California Standard Company Daily Flying Summary - 8/15/64	245.00
27.	Connelly-Dawson Airways - invoice 8/6-7/64	455.00
28.	Connelly-Dawson Airways - invoice 8/16/64	90.00
29.	Okanagan Helicopters Ltd. - invoice 10/29/64	5,422.00

TRAVELER'S ITEMIZED EXPENSE REPORT

* STATE KIND OF TRANSPORTATION

COMPLETE IN INDELIBLE PENCIL, INK OR BY TYPEWRITER
SEE REVERSE SIDE FOR INSTRUCTIONS ON USE OF THIS FORM

- A - AIRCRAFT
- B - BUS
- P - PERSONAL CAR
- R - RAILROAD
- S - SHIP

MONTH	DATE	PLACE	MEALS PERSONAL ONLY	HOTEL ROOM ONLY	TRANSPORTATION		OTHER			INCIDENTALS ITEMIZED
					FARES	PULLMAN BERTH OR CHAIR	GARAGE AUTO, TAXI STREET CAR	TELEPHONE TELEGRAPH	INCIDENTALS	
Sept.	1	Whitehorse	4.40	12.00			7.55			
	2	Prince George	1.25							
	3	Whitehorse					5.00			
	4									
	5									
	6									
	7									
	8									
	9						7.60			Tux - Camp Lewis
Aug.	10	Whitehorse						5.00		
Aug.	11	Calg. - Whitehorse	3.50		17.40			5.00		85.00
	12	Whitehorse	1.50	5.00						10.00
	13									
	14									
	15	Mayo	5.00	14.00			5.00		7.25	Weather
	16									
	17									
	18									
	19	Mayo	6.00				4.00		12.54	Hotel for camp
	20									
	21									
	22	Carmacks	24.55	10.00						
	23	Carmacks								
	24	Carmacks								
	25	Carmacks								
	26	Carmacks								
	27	Whitehorse	12.90	36.00			5.00	5.25		
	28	Whitehorse					20.00		8.30	Cashmere & to company property
	29	Skagway	7.50	14.25			16.25			
	30	Whitehorse					4.00			
	31	Whitehorse						12.00		
TOTAL			71.55	121.28	194.60		62.55	12.55	39.12	
SUB TOTAL										521.12

MONTH	DATE	DESCRIPTION	AMOUNT
Aug	15	Meals for crew	12.00
Aug	11	Camp Exp	10.00
		Meals for ...	76.55
TOTAL EXPENSES INCURRED			608.75

DEDUCT: NORMAL LIVING EXPENSES - SEE PARAGRAPH 8 ON REVERSE SIDE	
TOTAL EXPENSE TO COMPANY	608.75
DEDUCT: COMPANY PURCHASE - TRANSPORTATION, HOTEL ACCOMMODATION, MOVING EXPENSES, ETC.	
TOTAL OUT OF POCKET COST TO EMPLOYEE	411.75

TICKET DESCRIPTION			TRIP		DISPOSAL	
CARRIER	NUMBER	AMOUNT - IF KNOWN	FROM	TO	DATE	TO

DATE	ACCOUNTING OF CASH FUNDS	AMOUNT
	ON HAND (LAST BALANCE)	12.00
Aug 17/64	CASH RECEIVED	121.00
Aug 12/64	Balance	500.00
	TOTAL	(1) 521.00
	EXPENSE (TO AGREE WITH #)	(2) 109.25
	BALANCE - IF (2) EXCEEDS (1) CIRCLE AMOUNT	411.75

THE ABOVE IS A CORRECT REPORT OF EXPENSES INCURRED

FROM Aug 10 1964 TO Sept 3 1964

W. C. Cook
PRINT NAME

W. C. Cook
SIGNATURE

Inspector
POSITION

Whitehorse
PLACE OR DISTRICT

MAINTAIN ADVANCE ACCOUNT

SEND CHEQUE TO ME AT

OBJECT OF TRIP: West-C.N.A. short study

TRIP AUTHORIZED BY: [Signature]

APPROVED: [Signature]
IMMEDIATE SUPERVISOR

COUNTER SIGNED (WHEN ADDITIONAL APPROVAL REQUIRED)

ACCT. DESIG.		J.V.		ORGANIZATION UNIT			AMOUNT
No.	F SUB	PART	T/O	FLD	PROP	APPROV No.	
461		7031			4		22.75
454							411.75

CODED BY: [Signature]

CHECKED BY: [Signature]

file 6002 November page 41

November file 1120 pg 78

TOURISTS' SERVICE LTD.

Document disclosed under the Access to Information Act
Document divulgué en vertu de la Loi sur l'accès à l'information

WHOLESALE GROCERY DEPT.
WHITEHORSE, Y. T.

INVOICE NO. _____

DATE _____ 19__

SOLD TO The Parksville Standard Company C-13035-x

ORDER NO. _____

ADDRESS West Vancouver

SHIP VIA _____

COD	CRM	CHG	PART

ITEM	QUANTITY	PACK	SIZE	DESCRIPTION	SHIP'D.	PRICE	AMOUNT
	10			T - Bone Steaks <i>taken</i>	13	1.39	18.07
	10			T - Bone Steaks	12	1.39	15.90
	2	lbs		Veal Cutlets	2 1/2	1.12	2.80
	2	pkts		Frying Chicken <i>cut-ups</i>	5/2	.19	2.70
	1	lb		Beef Sausage	1 1/2	.59	.88
	2	slabs		Side Bacon	1 1/2	.58	10.15
	2			Cottage Rolls	4 3/4	.76	3.52
	2	lbs		Meiners <i>CP</i>	2	.54	1.08
	2	50		Rolls Roast Beef	2 1/2	1.09	10.08
	3	only		1 lb tins Ham	2	1.65	3.30
	12	doz		Eggs	12	.61	7.32
	10	tins		Butter	10	.85	8.50
	2	lbs		Cheese	2	.85	1.70
	6	tins		Peas	6	2/43	12.78
	6	tins		Yellow Peas	6	2/49	14.94

SEP 15 1964

TERMS:

APPROVED:

CALC. CHECKED:

DATE PAID

COMMODITY CODE:

COPY

DATE: 11 DPP

KEYSTONE BUSINESS FORMS LTD.-VANCOUVER

CHECKER _____

NO CLAIMS ALLOWED UNLESS REPORTED UPON RECEIPT OF GOODS

TOTAL 88.00 **000088**

TOUPISTS' SERVICES LTD.

Document disclosed under the Access to Information Act / Document divulgué en vertu de la Loi sur l'accès à l'information

WHOLESALE GROCERY DEPT.

WHITEHORSE, Y. T.

INVOICE NO. _____

DATE Sept 10/64

SOLD TO W. J. Macdonald 0 - 13055-4 ORDER NO. _____

ADDRESS Great Exploration SHIP VIA Call Wednesday

COD	CRM	CHG	PART

ITEM	QUANTITY	PACK	SIZE	DESCRIPTION	SHIP'D.	PRICE	AMOUNT
	12		tins	Mushrooms	12	43	516
	12	<i>1 doz</i>	tins	Apple Juice Clear	12	24	288
	12	<i>2 doz</i>	tins	Orange Juice	12	375	4500
	6		tins	Asparagus	6	44	264
	6		tins	Carrot Mblots	6	251	1506
	12		tins	Apple Pie Mix	12	36	432
	6		tins	Cherry Pie Mix	6	50	300
	1		tin	Marmalade	1	107	107
	1		tin	Strawberry Jam	1	150	150
	3		tbl	Maple Syrup	3	80	240
	6		bags	Dream Whip	6	30	180
	6		tins	Shrimp	6	52	312
	6		lb	Salmon	6	36	216
	1		kg	Baking Soda	1	25	25
	4		12 oz	Minute Rice	4	29	116
	1		lb	Tea	1	112	112
	1		kg	Corn Starch	1	27	27

SEP 15 1964

TERMS:

APPROVED:

CALC. CHECKED:

DATE PAID

COMMODITY CODE:

COPY

ORIG. | DUP. "

NO CLAIMS ALLOWED UNLESS REPORTED UPON RECEIPT OF GOODS

KEYSTONE BUSINESS FORMS LTD. - VANCOUVER

CHECKER

TOTAL 40 000089

TOURISTS' SERVICES LTD.

Document disclosed under the Access to Information Act / Document divulgué en vertu de la Loi sur l'accès à l'information

WHOLESALE GROCERY DEPT.

WHITEHORSE, Y. T.

INVOICE NO. _____

DATE Sept 10/64 1964

SOLD TO Goldman - Standard LEO G - 13095-x ORDER NO. _____

ADDRESS West Vancouver SHIP VIA Coastal

COD	CRM	CHG	PART

ITEM	QUANTITY	PACK	SIZE	DESCRIPTION	SHIP'D.	PRICE	AMOUNT
	5	lbs		Lard	5	29	145
	10	lbs		Milks		390	390
	10	lbs		White bread	10	27	270
	1	24 ct		Mayonnaise	1	83	83
	1	24 oz		Sweet Mixed Pickles	1	67	67
	4	pkgs		Mixed Cookies	4	47	190
	3	loaves		French Dressing	3	36	110
	4	tins		Mixed Jams	4	67	268
	2			Requefort Dress	2	89	178
	2	pkgs		Radishes			
	2	hd		Lettuce			
	2	dos		Oranges			
	6			Grapesfruit			
	4			Sacks of Flour			
	2	bu		Galaxy			
	25	lbs		Apples			

SEP 15 1964
 TERMS:
 APPROVED:
 CALC. CHECKED:
 DATE PAID:
 COMMODITY CODE:
 COPY:
 FLORIS DWP

Not worth sending
 24 30
 2 108
 1 364
 4 12 37
 2 37
 1 252

NO CLAIMS ALLOWED UNLESS REPORTED UPON RECEIPT OF GOODS

KEYSTONE BUSINESS FORMS LTD. - VANCOUVER

CHECKER

TOTAL 000090

TOURISTS' SERVICE LTD.

Document disclosed under the Access to Information Act
Document divulgué en vertu de la Loi sur l'accès à l'information

WHOLESALE GROCERY DEPT.

WHITEHORSE, Y. T.

9 595

INVOICE NO. _____

DATE _____ 19__

SOLD TO 1011111111 Standard 120, C - 12055-x ORDER NO. _____

ADDRESS 1011111111 SHIP VIA 1011111111

COD	CRM	CHG	PART	

ITEM	QUANTITY	PACK	SIZE	DESCRIPTION	SHIP'D.	PRICE	AMOUNT
	5			Green Onions	2	1.7	8.5
	2	1lb		Tomatoes	2	3.5	7.0
	36	1lb		Bananas	4	3.0	12.0
	3	1lb		Apples		3.0	9.0
	5	1lb		Spanish Onions	15	1.6	24.0
	8	50/50		1/2 lb 50/50			
	1			Spauld			
	2	8"		2 egg size			

SEP 15 1964

TERMS: _____

APPROVED: _____

CALC. CHECKED: _____

DATE PAID _____

COMMODITY CODE: _____

COPY _____

ORIG. || DUP. _____

NO CLAIMS ALLOWED UNLESS REPORTED UPON RECEIPT OF GOODS

KEYSTONE BUSINESS FORMS LTD. - VANCOUVER

CHECKER _____

TOTAL 8.20

000091

TOURISTS' SERVICES LTD.

Document disclosed under the Access to Information Act / Document divulgué en vertu de la Loi sur l'accès à l'information

WHOLESALE GROCERY DEPT.
WHITEHORSE, Y. T.

Q 7020

INVOICE NO. _____

DATE Aug. 12 64

SOLD TO California Steward Co.

ORDER NO. G-13055 - 3

ADDRESS Great Exploration

SHIP VIA XXX Whitpass

COD	CRM	CHG	PART

ITEM	QUANTITY	PACK	SIZE	DESCRIPTION	SHIP'D.	PRICE	AMOUNT
✓	1 only	gal		Mazola oil			3.27
✓	1	24	10	Milk choc. Bars <i>assorted!</i>			3.70
✓	1	20	6	Chicklets			90

SEP 15 1964

TERMS: _____

APPROVED: _____

CALC. CHECKED: _____

DATE PAID _____

COMMODITY CODE: _____

COPY _____

ORIG. | DUP.

[Handwritten signature]

NO CLAIMS ALLOWED UNLESS REPORTED UPON RECEIPT OF GOODS

KEYSTONE BUSINESS FORMS LTD. - VANCOUVER

CHECKER

TOTAL 6.17

000092

JAMES W. SEWARD COMPANY

Consultants

OLD TOWN, MAINE

TELEPHONE • AREA CODE 207 • 837-4419

AERIAL SURVEYS
 PHOTOGRAMMETRY
 FORESTRY
 MUNICIPAL MAPPING
 GEOLOGY
 CIVIL ENGINEERING
 PLANNING and
 URBAN RENEWAL

SOLD TO

CREST EXPLORATION, LTD.
 329-A SIXTH AVE.
 S.W. CALGARY, ALBERTA, CANADA

W.S. [Signature]

SHIP TO
 MR. J.L. CHARLES
 ROOM 460
 CANADIAN NATIONAL RAILWAY STATION
 WINNIPEG, MANITOBA, CANADA

YOUR ORDER NUMBER AND DATE Letter dtd 12-2-64	SHIP VIA Spec Handling First Class	INVOICE DATE 12-15-64	INVOICE NO. 700
---	--	---------------------------------	---------------------------

QUANTITY	DESCRIPTION OF ITEM	AMOUNT
62	Contact prints double weight semi-matte of the Haines area as requested. @ \$1.00 each.....	\$62.00
	Postage.....	2.00
	1 each of the following	\$64.00
	HNS-9-15 to 32	
	SA-1 to 5	
	1 to 27	
	1 to 16	
	Total.....	68.00

US CODE	PAYEE	INVOICE No.	ACCT.	F	SUB	J V.	PART 7/9	FLD	PROP	APPROP.	AMOUNT
											68.00

CODED BY: *6*
 OK to pay
Fredie W. Camp
 Railway Engineering

REMOVED BY: *[Signature]*

BRANCH • BOX 810 CORDOVA, ALASKA

19/6

242 - 5973

Kenneth T. Hyde

Photographer

Crest Exploration Ltd.,
(California Standard)
Medical Arts Bldg.,
CITY.

48 Westover Drive
Calgary, Alberta

INVOICE

January 14/65

Attn Les Camp

Copying: 1964 Iron Creek Photo:	2.00
5 - 5x7 prints above @ .75 ea:	3.75
14 - 8x10 prints/Photo 955/48 @ 1.00 each:	14.00
14 - 8x10 prints Iron Creek 1965 photo @ 1.00 each:	14.00
	<hr/>
	\$33.75
	<hr/>

*Crest
Jan 65*

0786-118

Samuel J. Hilde

CPD/CPD/CPD

100-100000-100000

100-100000-100000

100000

100000

RECEIVED
JAN 15 1965
ACCOUNTS

Crest Exploration
 The California Standard Company
 Calgary, Alberta

204247143

Aug 16 64 6352

Charter from Dawson - Mayo - Kathleen Lake - Mayo -
 Kathleen Lake - Mayo

Cargo: gas, supplies, camp equipment

Aircraft: Beaver

3 hours 45 minutes @ 85.00 / hour (\$318.75) \$ 319.00

DATE: 8/16/64
TERMS: Net
APPROVED: <i>[Signature]</i>
CALC. CHECKED: <i>[Signature]</i>
DATE PAID: <i>[Signature]</i>
BUSINESS CODE: <i>[Signature]</i>
DATE: <i>[Signature]</i>

US COST	PAYMT	INVOICE No.	ACCT.	F	SUB	J V			ORG UNIT		AMOUNT
						EXP	INT	PER	APPROD.		
	2590	6352	CH								319.00
CODED BY: <i>[Signature]</i>		CHECKED: <i>[Signature]</i>		REVIEWED: <i>[Signature]</i>							

46

September file 12-07 page 46

Crest Exploration
 The California Standard Company
 Calgary, Alberta

50000003

Aug 17 64 6355

Charter from Mayo - Pelly River - Moose Lake - Mayo -
 Ornape Lake - Oftell Lake - Kathleen Lake -
 Mayo

Purpose: Gas caching and camp move

Aircraft: Beaver

4 hours 5 minutes @ 85.00 / hour (\$347.10) \$ 347.00

1964	
DATE	17/8/64
TIME	14
BY	
FOR	
REMARKS	
INITIALS	
COPIES	
COPIES	
COPIES	

US DOLLARS	PAYEE	INVOICE No.	ACCT.	F	CUR	J V		ORG UNIT		AMOUNT
						DATE	NO.	NO.	APP.	
		6355						400		347.10
CODED BY: <i>h</i>						CHECKS OBTAINED:		RECEIVED: <i>[Signature]</i>		

4/3

000099

September file 12-07 pg 45

Crest Exploration
 The California Standard Company
 Calgary, Alberta

514-2661

Aug 20 64 6356

Charter from Dawson - Mayo - Kathleen Lake - Moose Lake -
 Penape Lake - Kathleen Lake - Moose Lake -
 Mayo - Dawson

Purpose: Gas caching and transportation of camp equipment

Aircraft: Beaver

6 hours 10 minutes @ 85.00 / hour (\$524.20) \$ 524.00

Handwritten notes and scribbles in a box.

MS NO.	PAYEE	INVOICE NO.	ACCT.	7	SER.	J V			ORG UNIT			AMOUNT	
						DATE	NO.	PROJ.	ACCT.	NO.	PROJ.		
CO AD BY:													

44

September file 12-07 pg 49

Crest Exploration
 The California Standard Company
 Calgary, Alberta

See #541143

Aug 22 64 6357

Charter from Dawson - Mayo - Moose Lake - Carmacks -
 Little Salmon Lake - Moose Lake - May

Cargo: gas, camp equipment

Aircraft: Beaver

4 hours 25 minutes @ 85.00 / hour (\$374.30) \$ 375.00
 \$ 374.00

DATE	22/8/64
TO	W.L.
FROM	
CLASS	
DESCRIPTION	Y
DATE PAID	
COY. IN CHARGE	
UNIT	
REP.	

NO	DATE	INVOICE NO.	ACCT.	F	SUB	J V		ORG UNIT			AMOUNT
						PAID	TR	PLD	TR	PLD	
	25/8/64	6357				181					374.00

34

Terms as per contract with Crest Exploration - Calgary, Alberta
 000103
Account # 6357 - Paid - Sept 14/64

September file 12-07 pg. 44

Connelly - Dawson Airways Ltd.

PLEASE REMIT TO:#3 Hangar McCall Field,
Calgary, Alberta.Crest Exploration Ltd.
237 - 7th Ave., S. W.
Calgary, Alberta.

TEAR OFF AT PERFORATION AND MAIL TOP PORTION WITH REMITTANCE.

DATE	DESCRIPTION OR REFERENCE	CHARGES	✓	CREDITS	BALANCE
1 Feb.	Ticket #6832	602.00			602.00
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					

IF
CR.
BAL.

TRANSFER MEMO

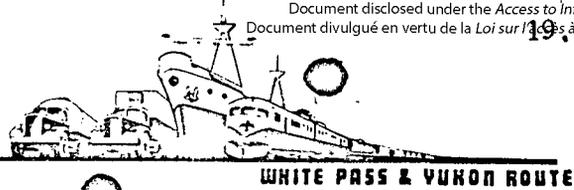
19 64

DISTRIBUTION								DEBITS		CREDITS			
ACCOUNT DESCRIPTION	U.S. CODE	ACCT. DESIG.			J. V.		ORGANIZATION UNIT			CAN.	U.S.	CAN.	U.S.
		No.	F.	SUB.	PART.	T/O.	FLD.	PROP.	APPROP. No.				
		161			100	1	400			814 -			
		132					411					814 -	
<i>TINNED GAS FOR CACHING</i>													
TOTAL										814 -		814 -	

EXPLANATION: *See Sept 22 - 56 / From 7 1/2 gallons used by unit
 from Whitehouse 768 GALS⁹ (ambulance) of 1st group
 Was coded from 132-900 to 132-999 in error*

60-29-CS (12/62) COMPILED BY *[Signature]* APPROVED FOR ENTRY *[Signature]* 48 000106

file 6002 November page 48



PACIFIC AND ARCTIC RAILWAY AND NAVIGATION COMPANY
 BRITISH COLUMBIA - YUKON RAILWAY COMPANY
 THE BRITISH YUKON RAILWAY COMPANY
 THE BRITISH YUKON NAVIGATION COMPANY, LIMITED

TO CALIFORNIA STANDARD CO. LTD.
 MEDICAL ARTS BUILDING,
 329A - 6 AVE. S.W.
 CALAGARY, ALBERTA

BILL NO.

MEMO NO. F 709

542818

DATE JULY 31/64

TO THE AMOUNT OF PREPAID FREIGHT CHARGES
 AS PER ATTACHED COPIES OF WAYBILL.

JULY 27/64 W/B # 15 007

353.43

*Transportation of gas
 from Whitehorse to
 Mayo for caching*

\$ 353.43

Crest 24% 84.83
Balance C.S. N. Div. 268.60
Total 353.43

OK to pay for M. Div. - JORC

SEP 15 1964

TERMS: *net*

APPROVED: *[Signature]*

CALC. CHECKED: *[Signature]*

DATE PAID

COMMODITY CODE:

COPY

ORIG. DUP.

A.F. OLSEN/AGENT/DIV.

US CODE	PAYEE	INVOICE No.	ACCT.	F	SUB	ORIG. D.T.			AMOUNT
						PAR	T/C	PRO	
	<i>WMS</i>	<i>EV</i>	<i>400</i>						<i>74.22</i>
	<i>WMS</i>								<i>268.60</i>
									<i>353.42</i>

REVIEWED BY: *[Signature]*

COPIED BY: *[Signature]*

CODES CHECKED:

September file 12-10 pg 74

PURCHASE ORDER No. _____

Document disclosed under the Access to Information Act
Document divulgué en vertu de la Loi sur l'accès à l'information

STOREHOUSE STOCK PURCHASES

No. 4423

SUPPLIED BY WEST EXPLORATION LTDAugust 1964STOREHOUSE IRON CREEK AIRSTRIP

GROUP	DESCRIPTION	QUANTITY	QUANTITY POSTING	AMOUNT
AIRSTRIP	GENERATOR (ARMSTRONG SINDLEY) DIESEL	10 GALS		
	OIL (SAE 50)	5 GALS		
R.R. SURVEY	HELICOPTER ISH GAS (EC/ET)	48 GALS		
	OIL (EC GRADE UNCOMP)	24 GALS		
	J.R.Q. GAS (EC/ET)	90 GALS		
	L. CAMP			

300 } 3500
1800AUTHORIZED EMPLOYEE TO ACKNOWLEDGE RECEIPT OF MATERIALS BY SIGNING
IMMEDIATELY BELOW LAST LISTED ITEM.

REMARKS TOTAL

GO-III FA-CS (II-60)

000110

October file 11-20 page 67

October file, 11-20 page 68



WHITEHORSE AIRPORT

DELIVERY INVOICE NO 452548
DATE 8/28/64

SOLD TO PRINT: STANDARD OIL OF CALIFORNIA CREST EXP 1
ADDRESS: CALGARY
CUSTOMER'S ORDER OR REQ NO: CF-15H
DELIVERED BY: R.A. Fisher

PRODUCTS DELIVERED	SIZE OF PACKAGE	QUANTITY	PRICE PER UNIT	AMOUNT
CHEVRON SUPREME GASOLINE				
CHEVRON GASOLINE				
# 80 014	16 gal	16 gal	49	7 94
80/87	16 gal	16 gal	51.3	8 21
80/57	34 gal	34 gal	51.3	17 44

MAA Crest's Helicopter

OK to pay

PRODUCTS RECEIVED
BY: *[Signature]*
APPROVED: *[Signature]*

RECEIVED PAYMENT	ORG UNIT	AMOUNT
CASH	J-V	
CHEQUES	FLO	
5 2P'S	PROP	
EXCH	APPROV.	
FEES		33 49

INVOICE No.	ACCT.	F	SUB	PART	7031
9757	452548	061			

CODED BY: *[Signature]* CHECKED: *[Signature]* REVIEWED BY: *[Signature]*

52 33.40 000115

November file 11-15 pg 52

THIS IS YOUR INVOICE

DELIVERY INVOICE
Document disclosed under the Access to Information Act
Document divulgué en vertu de la Loi sur l'accès à l'information

No. 342621



STATION WHITE HORSE	CODE: DATE FUG-31 1964
SHIPPED TO	VIA

SOLD TO (PRINT) CAL-STANDARD	CODE	INTER CO	CUSTOMER'S ORDER OR REQ No 17-1
ADDRESS RENNETT	TRANSFER TO	WF NO.	LOC.
			DELIVERED BY

PRODUCTS DELIVERED	COMPT	SIZE OF PACKAGE	CODE	QUANTITY	PRICE EX. TAX	AMOUNT
--------------------	-------	-----------------	------	----------	---------------	--------

CHEVRON SUPREN
CHEVRON GASOLIN
STANDARD STOVE
LOW POUR DIESEL
17.41.17.17

US CODE	PAYEE	INVOICE No.	ACCT.	F	SUB	J.V.		ORGANIZATION UNIT			AMOUNT	
						PART.	T/O	FLD	PROP	APPROP		
	77.14	151-61				7-1						20 16
Coded by: <i>6</i>						Codes Checked:			Reviewed by: <i>(69)</i>			

PRODUCTS RECEIVED

BY: *[Signature]*

APPROVED: _____

CHECKED: _____

S. 28.5.64

EXCH. *07*

TOTAL

DRUM CHARGES	199	00	0	HEAVY	12 20
DRUM CREDITS	799	00	0		()
TERMS—Net Cash (No Discount)					TOTAL ▶ 000117

FORM OIL 755 (REV. 1962)

October file 11-20 17c 69

Crest Exploration
 The California Standard Company
 Box 2930
 Whitehorse, Y.T.

500443

Aug 6-7 64 5740

Charter from Mayo - Bonnette Plume Lake - Mayo - Goz Pass -
 Mayo - Bonnette Plume Lake - Mayo

Purpose: Gas caching

Aircraft: Cessna 180

7 hours 35 minutes @ 60.00 / hour

\$ 455.00

SEP	5740
TERMS:	Net
APPRO:	<i>[Signature]</i>
CRIC:	<i>[Signature]</i>
CRIC SWP:	<i>[Signature]</i>
DATE:	
CO:	
COB:	
Q:	bot.

158377

US CLASS	PAYEE	INVOICE No.	ACCT.	F	SUB	J V			ORG UNIT		AMOUNT
						PAR	TR	FILE	PROJ	ACCT	
	5740	5740	661			712			12		455.00
CODED BY: <i>[Signature]</i>						CHECKED:		REVIEWED: <i>[Signature]</i>			

47

September file 1207 pg 47

Crest Exploration
 The California Standard Company
 Box 2930
 Whitehorse, Y.T.

5111-34113

Aug 18 64 6332

Charter from Mayo - Kathleen Lake - Mayo

Purpose: Gas caching

Aircraft: Cessna 180

1 hour 30 minutes @ 60.00 / hour

\$ 90.00

Handwritten notes and signatures in a box:
 23
 Kelly
 4
 4
 10/11/64
 10/11/64

UN	DATE	INVOICE No.	ACCT.	F	SUB	J V		ORG UNIT		AMOUNT
						DATE	PER	APPRO.	APPRO.	
	8/18/64	6332	111			10/11		400		90.00
COLED BY:		CHECKED:		REVIEWED:						

48

September file 12-07 pg 48



OKANAGAN HELICOPTERS LTD.
 VANCOUVER AIRPORT. B. C.
 TELEPHONE: 278-5502

TO

The California Standard Company of Canada,
 Medical Arts Building,
 329A - 6th Avenue S. W.,
 Calgary, Alberta.

Date October 29, 1964

Invoice No. 10/231 R-146

P.O. No.

Authority

CREST EXPLORATION

FINAL BILLING

To charter of Bell G2 helicopter CF-HJT (ISH) for the period of June 5 - September 2, 1964.

	<u>HOURS</u>	<u>RATE</u>	<u>TOTAL</u>	<u>MINIMUM</u>
June 5 - July 4, 1964	^{Total} 46:15 49:45 49:10	\$ 95.50	\$ 4,695.42	\$ 7,640.00 13 days VS
July 5 - Aug. 3, 1964	51:10	95.50	4,886.42	7,640.00
Aug. 4 - Sept. 2, 1964	^{76.05} 79:05	95.50	<u>7,552.45</u>	<u>7,640.00</u> X $\frac{22}{31} = 5422$
	<u>179:25</u>		\$ 17,134.29	\$ 22,920.00

Plus gas and oil supplied by carrier
 17 hours and 40 minutes @ \$7.50 per hour

OK

132.50	132.50
<u>\$ 17,266.79</u>	<u>\$ 23,052.50</u>

Greater of actual or minimum (minimum)

23,052.50

Less invoice	#6/102	\$ 7,640.00
	7/43	7,640.00
	8/66	<u>7,640.00</u>

22,920.00

\$ 132.50

CALCULATIONS
 WLS
 CHECKED

Crest
 fuel for 10 flights

Flight tickets
 checked O.K.
 MHCull

OK for payment
 J.M. Camp

N.B. Flight reports attached for CF-HJT June 7 and 18, 1964,
 CF-ISH August 1 - September 1, 1964.

... YEAR ROUND BASES THROUGHOUT B.C. ...

10-231					AMOUNT
2210	261	9031	900		132.50
000125					

66

December file 11-19 PJ 66



DEPARTMENT OF NORTHERN AFFAIRS AND NATIONAL RESOURCES
GENERAL RECEIPT

Y-203769

NANR 10-38 (3-59)

CANADA

DATE

11/3/65

NATURE AND NUMBER OF REMITTANCE

cheque

CASH NO.

INV. NO.

BRANCH

Fort Simpson, Yukon

LOCATION

Yukon

RECEIVED THE SUM OF

Twenty-Five THOUSAND

XX/100 DOLLARS \$25,000.00

FROM

The Yukon Service Standard
Company
Calgary, Alberta

FIN. ENC.	DIV.	EST.	VOTE	PRI.	S.A.	OBJ.	AMOUNT
79714	50	077	103	11	1	975	25,000.00
	00	000	995	15		000	

FOR

Hope of C.P.R. feasibility study
work done here referred to T. de Winter

TO BRANCH HEAD

[Signature]
AUTHORIZED SIGNING OFFICER

000127

V

THE CALIFORNIA STANDARD COMPANY

CALGARY ALBERTA

Document disclosed under the Access to Information Act
Document divulgué en vertu de la Loi sur l'accès à l'information

THIS CHEQUE PAYS THE FOLLOWING:

000128

DETACH BEFORE PRESENTING

○

*PA 401 B.
12/3/65
FNL*

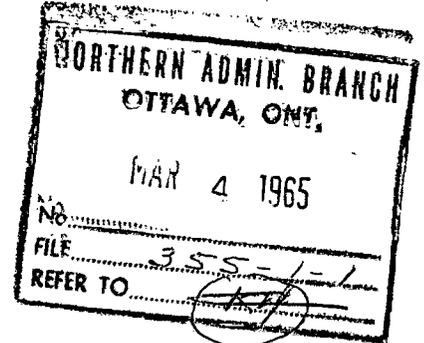


CREST EXPLORATION LIMITED

MEDICAL ARTS BUILDING, 329A - 6TH AVENUE S.W.

CALGARY, ALBERTA.

March 3, 1965.



Mr. A. B. Yates,
Chief, Engineering Division,
Department of Northern Affairs
and National Resources,
Ottawa, Canada.

Dear Mr. Yates: Your File 355-1-1

Further to your letter of February 26, we enclose our cheque in the amount of \$25,000.00 to cover our share of the C.N.R. railway feasibility study from Snake River to Tidewater.

We presume that in due course you will be sending us a full accounting. In this connection, Crest made various disbursements for or on behalf of Major Charles, over and above the disbursements which it undertook to absorb. These covered such things as sundry travel and expense items of Major Charles, purchase of topographic maps and supplies and other items. We are tabulating these for your consideration now. They amount to several thousand dollars and we feel that they properly belong as charges to our joint effort, along with the bill which the C.N.R. will submit directly.

Sincerely,

H. G. Nicholson
H. G. NICHOLSON
President.

*Noted
March 5/65
RT*

BF
10/3/65
R.H.
K-4

SENT
MAR 1 1965

H.G. Nicholson, Esq.,
President,
Crest Exploration Limited,
Medical Arts Building,
329A-6th Avenue S.W.,
Calgary, Alberta.

Ottawa 4, February 26, 1965

Dear Mr. Nicholson,

355-1-1
10/3/65
305
Noted R

Railway - Snake River to Tidewater

Canadian National Railways have advised that Major Charles has delivered to you a complete copy of the report he made, on behalf of C.N.R., giving an assessment of the cost of constructing a railway extending from your company's property at Snake River to Tidewater.

Section 4 of the Agreement requiring C.N.R. to undertake the necessary study and preparation of this report states that Crest Exploration Limited will pay \$25,000 to Her Majesty upon receipt of the report.

May we have your cheque payable to The Receiver General of Canada now?

Should the account submitted by C.N.R. for preparing and submitting the report be less than the \$50,000 that has been paid to then, we shall return one half of the difference to you.

Yours sincerely,

ORIGINAL SIGNED BY
A. B. YATES

P. Thompson/ac/h

AP

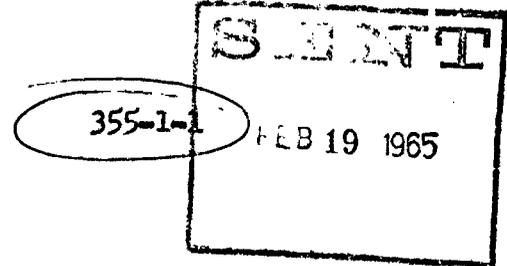
✓

A. B. Yates,
Chief, Engineering Division

P.A. F.N.D.
18/2/65
Jb

D.F. Purves, Esq.,
Assistant Vice-President,
Research and Development,
Canadian National Railways,
P.O. Box 8100,
Montreal, P.Q.

Ottawa 4, February 18, 1965.



Dear Mr. Purves,

Thank you for your letter of February 12 dealing with the Crest Exploration study. I acknowledge receipt of the report and take note of the fact that a copy of it has been delivered to Crest Exploration. I acknowledge also the return of the Bechtel report which you had been using.

Thank you.

Yours sincerely,

ORIGINAL SIGNED BY
A. B. YATES
A.B. Yates,
Chief,
Engineering Division

A.B. Yates/eh/d

NORTHERN ADMIN. BRANCH	
OTTAWA, ONT.	
FEB 16 1965	
No.	8134
FILE	355-1-1
REFER TO	K1



Canadian National Railways

D. F. Purves
Assistant Vice President

Research and Development

P. O. Box 8100,
Montreal, Quebec,
12 February, 1965.

*see reply
18/2/65 m.l.*

Mr. A. B. Yates,
Chief,
Engineering Division,
Northern Administration Branch,
Department of Northern Affairs
and National Resources,
Ottawa 4, Ontario.

Dear Mr. Yates:

Further to your letter of October 5 and our telephone conversation, this is to record that in Ottawa yesterday I delivered to Mr. Karl W. Stairs, Assistant Chief and Planning Engineer, Northern Administration Branch, Department of Northern Affairs and National Resources, a complete copy of the report made by Major J. L. Charles, CNR Consulting Engineer, dealing with estimated transportation costs respecting the Crest Exploration iron ore property astride the Yukon-Northwest Territories border in the vicinity of Snake River. The report is in four books: main report; accompanying profiles; accompanying book of photographs; and accompanying binder of maps.

Major Charles has delivered another complete copy of the report direct to Crest Exploration at Calgary.

Yours very truly,

D. F. Purves

B.F.
28/2/65
Pat

RECA. 1
12/2 18 65
326
Noted *fk*

D. F. Purves, Esq.,
Assistant Vice-President,
Research and Development,
Canadian National Railways,
P.O. Box 8100,
Montreal, Quebec.

Ottawa 4, February 5, 1965

SENT
FEB 8 1965

355-1-1

Dear Mr. Purves,

In my letter of September 25, 1965, I mentioned that I had informed my Minister that the C.N.R. report on the proposed Crest railway would not be available until January 1965.

It would be appreciated if you could forward an up-to-date progress report on this survey and also the estimated completion date.

An early reply would be greatly appreciated.

Yours sincerely,

ORIGINAL SIGNED BY
A. B. YATES

A. B. Yates,
Chief, Engineering Division

L.W. Ford/mc/h

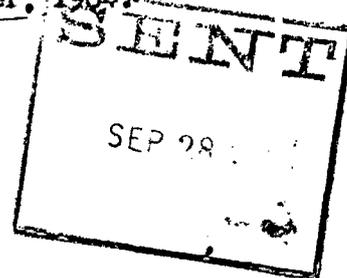
Re
FD

2A file
259
M

355-1-1

D.F. Purves, Esq.,
Assistant Vice-President,
Research and Development,
Canadian National Railways,
P.O. Box 8100,
Montreal, Quebec.

Ottawa, 25 September, 1964



Dear Mr. Purves,

As a result of our telephone conversation today, I have informed my Minister that the C.N.R. report on the proposed Crest railway would include the estimated cost of rolling stock, the estimated cost of operations and the cost of the bridges. I also informed him that the report would not be available until about January, 1965. I hope these statements are satisfactory to you.

Yours sincerely,

ORIGINAL SIGNED BY
A. B. YATES

AB Yates/dw/d

A.B. Yates, Chief,
Engineering Division.

PA Fu AD.
Sent (Byland) 25-9
20 DW

MINISTER

Ottawa 4, 25 September, 1964.

Proposed Railway - Crest Exploration

Mr. Gibson asked on your behalf for confirmation that the study being carried out by the C.N.R. would report on the estimated cost of rolling stock, the estimated cost of operations and the cost of bridges, as well as on the cost of the railroad itself. I can confirm that the C.N.R. report will contain these items.

In the course of confirming these items with Mr. Purves of the C.N.R. over the telephone Mr. Yates of the Branch Engineering Division found that Mr. Nicholson had been talking to Major Charles on the subject and it might perhaps, therefore, have been Major Charles himself who stated that the items were not to be done by him. In fact the report on these items will be done by C.N.R. engineers and incorporated in the total report.

Mr. Purves wished to stress that the report would not be available before January, 1965. Major Charles' report is not yet in and quite a lot of additional work has to be done before the final report can be prepared.

AB Yates/dw/d

J.A. MacDonald
E.A. Cote,
for Deputy Minister

BRAD Pitt

AM



Department
of Northern Affairs
and National Resources Deputy Minister

Ministère
du Nord canadien et
des Ressources nationales Sous-ministre

*See memo
J.H. Gordon
RM to Minister
25-9
DW*

355-1-1

Mr. Phillips ✓

OTTAWA, September 24, 1964.

(Attention: Mr. Yates)

our file / notre dossier
your file / votre dossier

Mr. Gibson informed me today that he had received a telephone call from Mr. Howard Nicholson of Crest Explorations in connection with what may have been omissions in the agreement with the Canadian National Railways. Mr. Nicholson wanted to assure himself that Major Charles would be reporting upon the estimated cost of rolling stock, the estimated cost of operations and the cost of bridges. Nicholson suggested that these things should be clearly understood before we executed the agreement.

I told Mr. Gibson that the agreement had been executed after consultation with the Crest people, who were also signatories. Nicholson is visiting the Minister at 9.30 on Monday, September 28th. Would you please telephone Mr. Gibson directly, giving him the information he requires, supplemented by a written memorandum to be available for the Minister before he meets Mr. Nicholson.

J. H. Gordon
J.H. Gordon,
Assistant Deputy Minister.

Gordon/Idev

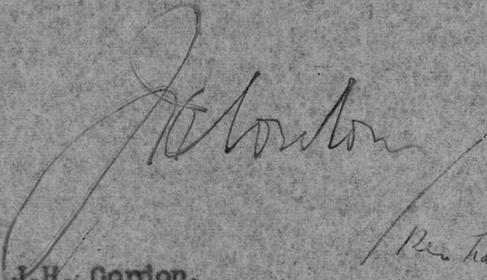
Dictated but not read
by Mr. Gordon.

Mr. Phillips

OTTAWA, September 24, 1964.

Mr. Gibson informed me today that he had received a telephone call from Mr. Howard Nicholson of Crest Explorations in connection with what may have been omissions in the agreement with the Canadian National Railways. Mr. Nicholson wanted to assure himself that Major Charles would be reporting upon the estimated cost of rolling stock, the estimated cost of operations and the cost of bridges. Nicholson suggested that these things should be clearly understood before we executed the agreement.

I told Mr. Gibson that the agreement had been executed after consultation with the Crest people, who were also signatories. Nicholson is visiting the Minister at 9.30 on Monday, September 28th. Would you please telephone Mr. Gibson directly, giving him the information he requires, supplemented by a written memorandum to be available for the Minister before he meets Mr. Nicholson.


J.H. Gordon,
Assistant Deputy Minister.

Gordon/ldev

P.A.
V.S.
16-9

sent 23/9 M.R.

DEPUTY MINISTER

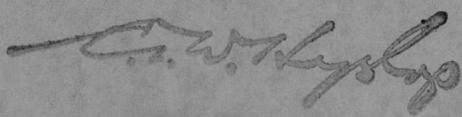
Ottawa 4, September 23, 1964.

355-1-1

Railway Study

As Agreement Number 4-64, with the Canadian National Railways and Crest Exploration, for the assessment of the preliminary cost estimate for the construction of a railway from Crest Exploration's property, in the vicinity of Snake River to Tide Water, has been completed, we attach one unsigned copy for your retention.

The \$50,000.00 has been advanced to the Canadian National Railways and they have acknowledged receipt of it.



Director

V. Sandbrook/jk/D

V.S.
LWS



V.S. H.M.B.
16-9

CONFIDENTIAL

Ottawa 4, September 16, 1964.

H.G. Nicholson, Esq.,
President,
Crest Exploration Limited,
Medical Arts Building,
329A 6th Avenue S.W.,
Calgary, Alberta.

355-1-1

SENT
SEP 17

Dear Mr. Nicholson,

Railway Study

Agreement Number 4-64, covering the assessment of the preliminary cost estimate for the construction of a railway from Crest Exploration's property, in the vicinity of Snake River to tide water, has been signed and sealed on behalf of Her Majesty. We enclose one signed copy for your retention.

When the cost for this assessment has been determined, we will let you know, at which time we shall request your cheque.

Yours sincerely,

ORIGINAL SIGNED BY
A. B. YATES
R.A.J. Phillips,
Director

V. Sandbrook/jk/D

08

V.A. Miller
16-9

CONFIDENTIAL

Ottawa 4, September 16, 1964.

D.F. Purves, Esq.,
Assistant Vice-President,
Research and Development,
Canadian National Railways,
P.O. Box 8100,
Montreal, Quebec.

355-1-1

SENT
SEP 17 1964

Dear Mr. Purves,

Railway Study

Thank you for your letter of September 8 informing us that you had received the \$50,000.00 covering the assessment of the preliminary cost estimate for the construction of a railway from Crest Exploration's property, in the vicinity of Snake River to tide water. Agreement Number 4-64, in this connection, has been signed and sealed by Crest Exploration and on behalf of Her Majesty. We enclose one signed copy for your retention.

On completion of the work, please submit your invoice, with vouchers, to this Branch for clearance.

Yours sincerely,

ORIGINAL SIGNED BY
A. B. TAYES

R.A.J. Phillips,
Director

V. Sandbrook/jk/D

V.S.

NORTHERN ADMINISTRATION BRANCH
 TEMPORARY FILE

FILE NO. _____ TEMP. FILE NO. 7622

SUBJECT 355-1-1

Proposed Railroads Y.T.

MAIN FILE IS CHARGED TO
K4 2-9-64

REFERENCE				DISPOSAL			
REFERRED TO	REMARKS	DATE	INITIALS	DATE OF P.A. OR T.	DATE OF B.F.	INITIALS	REGISTRY INSPECTION
<u>K1</u>	<u>8-9-64 1368</u>	<u>11-9-64</u>	<u>RP</u>	<u>16-9</u>		<u>us</u>	<u>SEP 17 1964</u>

pp 2/19/64

DF Purves

To: Director,
A:
For: N.A. Branch
Pour:

Date September 9/64

- Approval / Approbation
 - Signature
 - Comment / Commentaire
 - Action / Donner suite
 - Direct Reply / Répondre directement
 - Copy for this office / Copie pour ce bureau
 - Preparation of reply by / Réponse d'ici le
- May we discuss / Discussion avec nous
 - As requested / Selon indications
 - Note / Noter
 - Note and return / Noter et retourner
 - Note and forward to— / Noter et faire suivre à
 - Information



000142

COPY

PA / m.D.
D-2
16-9

See reply

CANADIAN NATIONAL RAILWAYS
D. F. Purves
Assistant Vice President
Research and Development

P.O. Box 8100,
Montreal, Que.

8 September, 1964.

Mr. J. H. Gordon,
Assistant Deputy Minister,
Northern Affairs and National
Resources Department,
Langevin Block,
Metcalfe & Wellington Sts.,
Ottawa, Ont.

Dear Mr. Gordon,

NORTHERN ADMIN. BRANCH	
OTTAWA, ONT.	
SEP 11 1964	
No.	1368
FILE	355-1-1
REFER TO	K1

This is to acknowledge receipt of your cheque No. A7 0008261 for \$50,000 covering the cost of a reconnaissance survey and report to be made by Canadian National respecting assessment of the cost of constructing a rail line from the Crest Exploration property in the vicinity of the Snake River, Yukon Territory.

Yours truly,

(sgd.) D. F. Purves

D.F. Purves,
Assistant Vice-President.

C O P Y

CANADIAN NATIONAL RAILWAYS
D. F. Purves
Assistant Vice President
Research and Development

P.O. Box 8100,
Montreal, Que.

8 September, 1964.

Mr. J. H. Gordon,
Assistant Deputy Minister,
Northern Affairs and National
Resources Department,
Langevin Block,
Metcalf & Wellington Sts.,
Ottawa, Ont.

Dear Mr. Gordon,

This is to acknowledge receipt of your cheque No.
A7 0008261 for \$50,000 covering the cost of a reconnaissance
survey and report to be made by Canadian National respecting
assessment of the cost of constructing a rail line from the Crest
Exploration property in the vicinity of the Snake River, Yukon
Territory.

Yours truly,

(sgd.) D. F. Purves

D.F. Purves,
Assistant Vice-President.

Proposed Railroads Y.T.

144 2-9

355-7-7

PA
mid.
tu
8/9/64

JRHE
OTTAWA
SEP 4 1964
No.
FILE
REFER TO *(initials)*

SEPT 4/64

M295

U

CN TEL OTT TB+

NORTHAD OTT

CNTGA055 17

RH CALGARY ALTA 4 1126A MST

A B YATES, CHIEF ENGINEERING DIVISION DEPT OF NORTHERN AFFAIRS
AND NATIONL RESOURCES OTTAWA

RETEL EXECUTED COPIES CONTRACT CNR CREST YOUR DEPARTMENT FORWARDED
AIRMAIL TO R A J PHILLIPS SEPTEMBER SECOND

H G NICHOLSON CREST EXPLORATION LD.

225P EDT.

CN TEL OTT TB+

NORTHAD OTT

*P.A.
n.d.
see reply.
4/9/64*

SENT
SEP 4 1964

Stavis

•
CN TELTEX CGY•

NORTHAD OTT

SEPT 4/64 X

OTT ONT

CN FR

H G NICHOLSON ESQ

PRESIDENT

CREST EXPLORATION

MEDICAL ARTS BLDG

329A - 6TH AVE SW

CALGARY

K255 PLS ADVISE WHEN CONTRACT C. N.R. - CREST AND THIS DEPT MAILED

A B YATES

CHIEF ENGINEERING DIV

DEPT OF NA AND NR

KENT ALBERT BLDG

ADDRESS 329A - 6TH AVE SW J

•
CN TELTEX CGY•

NORTHAD OTT

P.A. J.M.D.
V.S.
16-9

355-1-1



CREST EXPLORATION LIMITED

MEDICAL ARTS BUILDING, 329A - 6TH AVENUE S.W.
CALGARY, ALBERTA.

September 1, 1964.

CONFIDENTIAL

Mr. R. A. J. Phillips,
Director,
Northern Administration Branch,
Department of Northern Affairs
and National Resources,
Government of Canada,
Ottawa, Canada.

Your File Reference 355-1-1

Dear Mr. Phillips:

We are returning herewith four executed copies of Agreement Number 4-64 with Canadian National Railways, Crest Exploration Limited and the Federal Government.

We would appreciate receiving an executed copy after the Minister of Northern Affairs and National Resources has signed it.

Yours very truly,

H. G. Nicholson
H. G. NICHOLSON
President

*agreement sent by hand
to Mr Gordon + then
a copy to Treasury with
Req. for cheque. Mr. Gordon
Treasury to issue cheque
today if possible. V.S.
4-9*

REQUISITION FOR CHEQUE

TO BE USED FOR ADVANCES OR AUTHORIZED PAYMENTS FOR WHICH THERE ARE NO ACCOUNTS

PA 335
 08
 15-9
 PA
 ND

DEPT. Northern Affairs & National Resources BRANCH Northern Administration FILE NO. _____
 BR. NO. _____ TREASURY NO. _____ DATE September 1, 1964
P. Humphreys/bms/II

IN FAVOUR OF	AMOUNT	CHEQUE NO.
<p>The Canadian National Railways Montreal, Quebec.</p> <p>Please send cheque direct and return one copy of this form with cheque number and date of issue to Mr. P. Ford, 5th Floor, Kent-Albert Building.</p>	\$50,000.00	008261 SEP - 4 1964

DETAILS OF PAYMENT: *note 08* For assessing the cost of constructing and equipping a railway from Snake River to Tidewater, Yukon Territory.

APPROPRIATION:

FIN. ENC. NO.	DIV.	ESTAB.	VOTE	PRI.	D. A.	OBJ.	AMOUNT
72779	80	077	761	01	02	993	\$25,000.00
72714	80	077	503	21	02	973	25,000.00

- CERTIFIED:
- (a) That this application is made under the requisite authority.
 - (b) That each item of the above amounts has been incurred under requisite authority and that the expenditure was necessary for the Public Service.
 - (c) That the articles and services charged for have been received and performed and that the prices charged are fair and just.

ORIGINAL SIGNED BY
G. LAVIOLETTE
 HEAD OF BRANCH FOR MINISTER

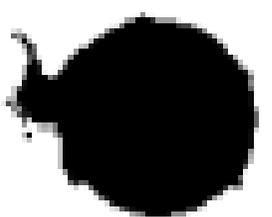
Original Signed by
M. J. JARDINE
 TREASURY OFFICE APPR 000149

~~Minister of Justice~~
M. A. Brown

disclosed under the
Document divulgué en vertu de la Loi



000150



P.D.
 M.D.

NORTHERN AFFAIRS BRANCH	
OTTAWA, ONT.	
AUG 27 1964	
No.	9787
FILE	355-1-1
REFER TO	E1

EXTRACT from the minutes of a meeting of the Honourable the Treasury Board, held at Ottawa, on July 30, 1964

T.B. 628577

NORTHERN AFFAIRS AND NATIONAL RESOURCES

Order # / c.c. 1003-23

The Board approves entry into a contract with the Canadian National Railways, Montreal, Quebec, for consultant services to assess the cost figure prepared by Canadian Bechtel for constructing and equipping a railway from the Crest Exploration Limited property on the Snake River, Yukon and Northwest Territories to Tide Water, at a cost of \$50,000 of which amount \$25,000 is to be borne by the Crown and the remaining \$25,000 is to be contributed by Crest Exploration Limited of Calgary, Alberta, or 50% of the actual cost whichever is the lesser amount, payment to be made on the basis of receipted invoices from the Canadian National Railways on completion of appraisal, it being understood that an agreement between the Crown and Crest Exploration Limited will be executed before the appraisal commences to permit recovery of the firm's share of the cost--in addition to its cash contribution Crest is to agree to contribute to the work the following:

1. Use, without charge, of a Bell 6-2 Helicopter for a period of about twenty-one days, the estimated duration of the field appraisal for the sole use of the work.
2. Assignment without charge of a Civil Engineer with experience in the area for the field appraisal period.

. . .

- 2 -

3. Use without charge of Crest Exploration Limited camp facilities at Snake River.
4. Depositing without charge suitable caches of gasoline to service the helicopter at the direction of the Consultant or his representative during the work.



ASSISTANT SECRETARY

CCM/AB

**EXTRACT from the minutes of a meeting of the Honourable the
Treasury Board, held at Ottawa, on July 30, 1964**

T.B. 628577

**NORTHERN AFFAIRS AND
NATIONAL RESOURCES**

The Board approves entry into a contract with the Canadian National Railways, Montreal, Quebec, for consultant services to assess the cost figure prepared by Canadian Bechtel for constructing and equipping a railway from the Crest Exploration Limited property on the Snake River, Yukon and Northwest Territories to Tide Water, at a cost of \$50,000 of which amount \$25,000 is to be borne by the Crown and the remaining \$25,000 is to be contributed by Crest Exploration Limited of Calgary, Alberta, or 50% of the actual cost whichever is the lesser amount, payment to be made on the basis of receipted invoices from the Canadian National Railways on completion of appraisal, it being understood that an agreement between the Crown and Crest Exploration Limited will be executed before the appraisal commences to permit recovery of the firm's share of the cost--in addition to its cash contribution Crest is to agree to contribute to the work the following:

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2. Assignment without charge of a Civil Engineer with experience in the area for the field appraisal period.

. . .

- 2 -

3. Use without charge of Crest Exploration Limited camp facilities at Snake River.
4. Depositing without charge suitable caches of gasoline to service the helicopter at the direction of the Consultant or his representative during the work.

John Davis

ASSISTANT SECRETARY

CCM/AB

000154



Mr Hunt

ACTION REQUEST

TO

Mr Yates

DATE

LOCATION

Ends Engineering Div.

FROM

A. D. Hunt

REF. FILE NO.

FOR:

- ACTION
- APPROVAL
- COMMENTS
- DRAFT REPLY
- INFORMATION
- INVESTIGATE AND REPORT
- INVESTIGATION
- MAKE..... COPIES
- MORE DETAILS
- NOTE AND FILE

- NOTE & FORWARD
- NOTE & RETURN
- P.A. ON FILE
- REPLY DIRECTLY
- REPLY, PLEASE
- SEE ME, PLEASE
- SIGNATURE
- TRANSLATION
- YOUR REQUEST

PREPARE MEMO TO:.....

REPLY FOR SIGNATURE OF:.....

REMARKS:.....

Thank you. I must say I have more confidence in White Pass than I do in CN I

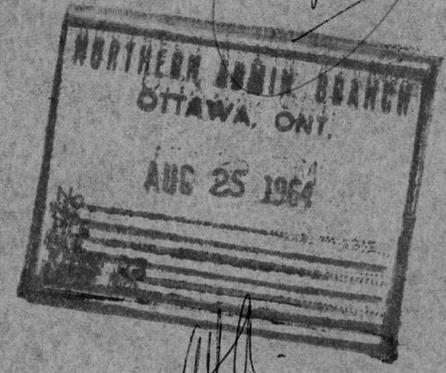
000155

Mr Digby Hunt.
355-1-1

Ottawa: August 24th 1964

27/8
OKR
P.A.
S.D.

F.A. Brown Esq.,
President,
The White Pass & Yukon Corp Ltd.,
1312 Standard Building,
510 West Hastings Street,
Vancouver 2, B.C.



Dear Mr. Brown:

Mr. Laing is just about to depart on a ten-day trip to the Arctic and has asked me to acknowledge your letter of August 18th, 1964. The interest of your Company in the Snake River railway route now under study has been well noted by the Minister and the officials of this Department. I am certain that, should the report to be received in the Fall from the Canadian National Railway be satisfactory with respect to cost estimates, then at that time discussions with yourselves will be entertained.

Mr. Laing has asked me to say also that he is looking forward to seeing you here in Ottawa in September if it is possible for your two itineraries to converge.

Yours very truly,

J.A.

Jack Austin
Special Assistant.

THE WHITE PASS AND YUKON CORPORATION LIMITED

FRANK H. BROWN
PRESIDENT

CABLE ADDRESS: BROWRAN

1312 STANDARD BUILDING
510 WEST HASTINGS STREET
VANCOUVER 2, B. C.

August 18, 1964.

The Honourable Arthur Laing,
Minister of Northern Affairs and
National Resources,
Ottawa.

Dear Arthur,

I appreciate your letter of August 13th very much.

I am due to go to Fairbanks, Whitehorse, Skagway and possibly Anchorage in the second and third weeks of September and it looks as if I will not be able to get to Ottawa until about 24th or 25th of that month. In the meantime, some additional work is being done on our proposed right-of-way from Whitehorse to a certain mountain pass at the head-waters of the Snake River. I would ask you to bear in mind that this proposed route looks to us to be entirely practical, it traverses favourable mineral areas and it is considerably shorter than what we have understood to have been proposed in the Bechtel report. However, we have never seen that report.

What I am afraid of - admittedly with limited data - is that if the C.N.R. base their study solely on the Bechtel report, they may end up by crystallizing their ideas without considering the possibilities of a shorter and equally desirable route as regards gradients and curves. The difference could be a considerable number of millions of dollars in construction costs and correspondingly higher operating costs.

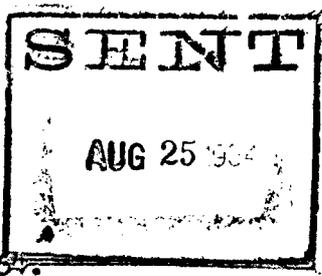
With kindest regards,

Yours truly,

President.

355-1-1

BA
24-8
DW



Ottawa, August 24, 1964.

F.K. DeVos, Esq.,
Economist,
Economics Division,
Department of Transport,
Ottawa, Ontario.

Dear Mr. DeVos,

Thank very much for your letter of July 31st to which you attached excerpts from your notes on the White Pass and Yukon Route.

The immediate information you gave me at the time was most valuable and I appreciate receiving these supplementary data.

Yours sincerely,

ORIGINAL SIGNED BY
A. B. YATES

AB Yates/dw/d

A.B. Yates, Chief,
Engineering Division.

B.F.
2-9-64
N.S.

P.A.
U.S.
15-19

CONFIDENTIAL

Ottawa 4, August 24, 1964. *r.D.*

H.G. Nicholson, Esq.,
President,
Crest Exploration Limited,
Medical Arts Building,
329A 6th Avenue S.W.,
Calgary, Alberta.

355-1-1

RECALL
2/9 1964
238
Noted <i>APP</i>

Dear Mr. Nicholson,

Railway Study

Thank you for your letter of August 20 informing us that Agreement Number 4-64 with Canadian National Railways, Crest Exploration Limited and the Federal Government was satisfactory to you. The Canadian National Railways were not happy with some of the terms, and, after discussions with this office, it was agreed, to save time, that they would alter the four copies accordingly, sign and seal them, and return them to us.

We enclose the four copies of the above Agreement, and ask that you initial all changes made by the Canadian National Railways on the four copies, sign and seal all copies, and return them to us. As soon as the Agreement has been executed by the Federal Government, we will return one signed copy to you.

Yours sincerely,



R.A.J. Phillips,
Director

V. Sandbrook/jk/D

N.S.

Sent by Engineering
N.S.
24-8



*P.A.
J.A. hnd.
24-9*

355-1-1



Canadian National Railways

**D. F. Purves
Assistant Vice President**

Research and Development

Mr. J. H. Gordon,
Deputy Minister,
Department of Northern Affairs
and National Resources,
Langevin Block,
Metcalfe & Wellington Streets,
Ottawa, Ontario.

P. O. Box 8100, Montreal, Quebec, 21 August, 1964.
ADD 211
REPLY DUE
FILE No. 110-3-52

Dear Mr. Gordon:

Further to conversation, I enclose the four copies of an agreement respecting making an assessment of the cost of constructing a rail line from the Crest Exploration property in the vicinity of Snake River, Yukon Territory (your Contract No. 4-64). In line with conversation, the following changes have been made:

- (a) Canadian National Railways has been changed to Canadian National Railway Company;
- (b) Clause 9 has been deleted;
- (c) Clause 10 has been changed to provide that the Railway as consultant will be saved harmless.

As soon as your cheque for \$50,000 to cover the cost of this reconnaissance survey has been received we will have the work put in hand without delay.

Yours very truly,

James O...

Documents removed & forwarded to Crest. 24-8 J.A.

Legal division advise the attention by C.N.R. as per memo. J.A. 24-8

P.A. Finkle
J.S.
24-8
See reply.



CREST EXPLORATION LIMITED

MEDICAL ARTS BUILDING, 329A - 6TH AVENUE S.W.
CALGARY, ALBERTA.

August 20, 1964

NORTHERN ADMIN. BRANCH	
OTTAWA, ONT.	
AUG 21 1964	
NO.	9600
FILE	355-1-1
REFER TO	KH

Mr. R. A. J. Phillips,
Director,
Northern Administration Branch,
Department of Northern Affairs
and National Resources,
Ottawa 4, Ontario.

Your File No. 355-1-1

Dear Mr. Phillips:

The draft agreement No. 4-64 with Canadian National Railways, Crest Exploration Limited and the Federal Government is satisfactory to us and we will execute it upon receipt of the required copies.

Yours sincerely,

H.G. Nicholson
H. G. NICHOLSON
President

Good!
Amf.

Proposed Railroads

DO 1918



EXCLUSIVE CONNECTION WITH WESTERN UNION CABLE SERVICE

FORM-6103

CANADIAN NATIONAL TELEGRAPHS

J. G. WHITE, GENERAL MANAGER

TELEGRAPHS

PLACE IN BOXES FOR SERVICE DESIRED
FULL RATE
DAY LETTER
NIGHT LETTER

CHECK

CHARGE ACCOUNT NO.: Deputy Minister's Office

TIME AND DATE FILED

COMPANY Northern Affairs & National Resources
ADDRESS
CITY

TOLLS
P.A.
V.L.M.B.
25-8

Send the following message, subject to the terms on back hereof, which are hereby agreed to

Northern Admin. Br. (Engineering Div.)
OTTAWA, August 20, 1964. X

D.F. Purvis, Esq.,
Assistant Vice-President,
Research and Development,
Canadian National Railways,
MONTREAL, P.Q.

NORTHERN ADMIN. BRANCH
OTTAWA, ONT.
AUG 21 1964
No. _____
FILE 355-1-1
REFER TO K1

REFERENCE OUR TELEPHONE CONVERSATIONS THIS MORNING WOULD YOU BE GOOD ENOUGH TO HAVE STRUCK OUT AND INITIALLED CLAUSES NINE AND TEN IN AGREEMENT RESPECTING THE SNAKE RIVER-TIDEWATER SURVEY (STOP) I UNDERSTAND WITH THESE CHANGES AND NECESSARY REVISIONS OF DESCRIPTION OF YOUR COMPANY THE AGREEMENT CAN NOW BE SIGNED.

J.H. Gordon,
Assistant Deputy Minister.

D.O. (19/8/64)

CNT-6103
1-11-57



CANADIAN NATIONAL TELEGRAPH COMPANY

HEREINAFTER CALLED THE COMPANY.

TERMS AND CONDITIONS UPON WHICH TELEGRAPH AND CABLE MESSAGES SHALL BE TRANSMITTED ARE PRESCRIBED BY ORDER NO. 49274, DATED DECEMBER 5TH, 1932, OF THE BOARD OF TRANSPORT COMMISSIONERS FOR CANADA AND PUBLISHED IN THE CANADA GAZETTE.

It is agreed between the sender of the message on the face of this form and this Company that said Company shall not be liable for damages arising from failure to transmit or deliver, or for any error in the transmission or delivery of any unrepeatable telegram, whether happening from negligence of its servants or otherwise, or for delays from interruptions in the working of its lines, for errors in cipher or obscure messages, or for errors from illegible writing, beyond the amount received for sending the same.

To guard against errors, the Company will repeat back any telegram for an extra payment of one-half the regular rate; and, in that case, the Company shall be liable for damages suffered by the sender to an extent not exceeding \$200.00, due to the negligence of the Company in the transmission or delivery of the telegram.

Correctness in the transmission and delivery of messages can be insured by contract in writing, stating agreed amount of risk, and payment of premium thereon at the following rates, in addition to the usual charge for repeated messages, viz.: one per cent for any distance not exceeding 1,000 miles, and two per cent for any greater distance.

This Company shall not be liable for the act or omission of any other Company, but will endeavour to forward the telegram by any other Telegraph Company necessary to reaching its destination, but only as the agent of the sender and without liability therefor. The Company shall not be responsible for messages until the same are presented and accepted at one of its transmitting offices; if a message is sent to such office by one of the Company's messengers, he acts for that purpose as the sender's agent; if by telephone, the person receiving the message acts therein as agent of the sender, being authorized to assent to these conditions for the sender. This Company shall not be liable in any case for damages, unless the same be claimed, in writing, within sixty days after receipt of the telegram for transmission.

No employee of the Company shall vary the foregoing.

CLASSES OF SERVICE

FULL RATE TELEGRAM

A full-rate expedited service.

DAY LETTER

A deferred day service at rates lower than the standard telegram rates as follows: One and one-half times the ten-word day message rate for the transmission of 50 words or less, and one-fifth of the initial rate for such 50 words for each additional 10 words or less.

Day letters may be forwarded by the Company as a deferred service, and the transmission and delivery of such Day Letters are, in all respects, subordinate to the priority of transmission and delivery of full-rate messages.

Day Letters may be delivered by the Company by telephoning the same to the addressee, and such deliveries shall be a complete discharge of the obligation of the Company to deliver.

Day Letters are received subject to the express understanding and agreement that the Company does not undertake that a Day Letter shall be delivered on the day of its date absolutely and at all events, but that the Company's obligation in this respect is subject to the condition that there shall remain sufficient time for the transmission and delivery of such Day Letter on the day of its date during regular office hours, subject to the priority of the transmission of full-rate messages under the conditions named above.

NIGHT LETTER

Accepted up to 2 a.m. at reduced rates, to be sent during the night and delivered on the morning of the next day after their date. At places where the Company's offices are not open on Sundays, delivery will be made on the morning of the next ensuing business day. The rates for Night Letters are lower than the standard telegram rates, as follows: The standard day rate for 10 words for the transmission of 50 words or less and one-fifth of the initial rate for such 50 words for each additional 10 words or less. The minimum charge for transmission over the Company's lines of any Night Letter will be 60 cents.

Night Letters may, at the option of the Company, be mailed at destination to the addressee, and the Company shall be deemed to have discharged its obligation in such cases with respect to delivery by mailing such Night Letters at destination, postage prepaid.

PA.
25-8
VJ

25-8-64
VJ.

CONFIDENTIAL

Ottawa 4, August 17, 1964.

D.F. Purves, Esq.,
Assistant Vice-President,
Research and Development,
Canadian National Railways,
P.O. Box 8100,
Montreal, Quebec.

RECALL
25/8 1964
135
Noted *[Signature]*

355-1-1

SENT
AUG 17 1964

Dear Mr. Purves:

Construction of a Railway -
Crest Exploration Limited

Our Legal Division felt that a formal agreement should be entered into for the assessment of the cost of constructing a railway from the Crest Exploration property, in the vicinity of Snake River, to Tide Water rather than an exchange of letters as suggested in your letter of July 17, 1964. A formal agreement with the Canadian National Railways, Crest Exploration Limited and the Federal Government has been drawn up.

As we have received approval for the entry into this agreement, we enclose four copies of Contract Number 4-64. Please indicate, in the spaces provided, the city and province in which Major J.L. Charles resides. Should you concur in the text of the agreement, please have all copies signed by two authorized signing officers of the Canadian National Railways indicating their positions in the Company, have the Company seal placed on all copies and have them returned to us. On receipt of the signed copies, we will forward them to Crest Exploration for their signatures and seal.

As stated in the agreement, on execution of it, we will forward a cheque for \$50,000. together with one signed copy of the agreement for your retention.

Yours sincerely,

K. W. Sears

R.A.J. Phillips,
Director

V. Sandbrook/jk/D/OR

V.A.

P.A.
2-8
25-8

25-8-64

CONFIDENTIAL

Ottawa 4, August 17, 1964.

RECALL
25/8 1964
231
Noted *[initials]*

H.G. Nicholson, Esq.,
President,
Crest Exploration Limited,
Medical Arts Building,
329A 6th Avenue S.W.,
Calgary, Alberta.

355-1-1

SENT
AUG 18

Dear Mr. Nicholson:

Crest Exploration Limited
Railway Study

This is further to our letter of July 7 concerning the proposed assessment of the cost figure for the proposed construction of a railway from your property, in the Snake River area, to Tide Water. Approval has been received for the entry into an agreement for this work. The Canadian National Railways had suggested that an exchange of letters covering this work be made, rather than a formal agreement. Our Legal Division, however, felt that a formal agreement should be entered into. Consequently, Agreement Number 4-64 with Canadian National Railways, Crest Exploration Limited and the Federal Government has been drawn up and forwarded to the Canadian National Railways for their acceptance and signatures. On receipt of the accepted agreement, we will forward it to you for signatures and seal on behalf of your Company. In the meantime, we enclose a copy of this agreement for your perusal. Should there be any objections to the terms of the agreement, please let us know as soon as possible.

You will note, from the terms of the agreement, that arrangements have been made for the Federal Government to advance to the Canadian National Railways \$50,000.00 and on receipt of the report your Company shall pay \$25,000.00 to Her Majesty. Should the cost of the work be less than \$50,000.00, on receipt of the difference from the Canadian National Railways one-half of the amount returned shall be forwarded to Crest Exploration.

Yours sincerely,

[Handwritten signature: R.A.J. Phillips]

R.A.J. Phillips,
Director

V. Sandbrook/jk/D/OR

[Handwritten initials]

[Handwritten signature]



CANADA

Department
of Northern Affairs
and National Resources Deputy Minister

Ministère
du Nord canadien et
des Ressources nationales Sous-ministre

P.A. D.S. 17-8-

355-1-1

NORTHERN ADMINISTRATION BRANCH

OTTAWA 4, August 14, 1964

our file / notre dossier

your file / votre dossier

Attention: Engineering Division

Railway from Crest Exploration Limited property
on the Snake River, Yukon and N.W.T. to Tide Water

Further to your memorandum of August 5, 1964, I now enclose
herewith a draft of the agreement which you requested.

I understand that a further submission to the Treasury
Board has been prepared and that this states that the sum
of \$50,000.00 is payable at the execution of the agreement
to the Canadian National Railways.

[Handwritten signature]
Hugo Fischer,
Legal Adviser

Attach.

*action taken
U.S.*

D R A F T

THIS AGREEMENT made this 17th day of August, 1964,

BETWEEN

HER MAJESTY THE QUEEN
in right of Canada,
hereinafter called "Her
Majesty",

OF THE FIRST PART,

AND

CREST EXPLORATION LIMITED,
a body corporate, duly
incorporated under the
laws of the Province of
Alberta, having its head
office in the City of
Calgary, in the said
province, hereinafter
called "the Company",

OF THE SECOND PART,

AND

CANADIAN NATIONAL RAILWAYS,
a body corporate, incor-
porated by special act of
the Parliament of Canada,
having its head office in
the City of Montreal, in
the Province of Quebec,
hereinafter called "the
Consultant",

OF THE THIRD PART.

WHEREAS Canadian Bechtel Limited, hereinafter called
"Bechtel", has prepared a preliminary cost estimate for the
construction of a railway from the Company's property located
in the vicinity of Snake River, to Tide Water; and

WHEREAS Her Majesty and the Company have requested
the Consultant to make an assessment of the said preliminary
cost estimate to determine if a detailed location survey might
show a lower capital cost for the construction of such railway
than that submitted by Bechtel; and

WHEREAS the Consultant has agreed to make the said
assessment subject to the provisions of this agreement.

...2

- 2 -

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises, covenants and agreements herein contained, the parties covenant and agree as follows:

1. In this agreement, "Minister" means the Minister of Northern Affairs and National Resources and anyone authorized to act on his behalf.

2. (1) The Consultant will, before the 30th day of October, 1964, make a survey of the land between the Company's property in the vicinity of Snake River and Tide Water and prepare and submit to the Minister, with a copy to the Company, a report containing an assessment of the cost of constructing a railway extending from the Company's said property to Tide Water.

(2) The Consultant will employ Major J. L. Charles, of _____, in the Province of _____, to perform the work required to be performed by it pursuant to this section.

3. Subject to Section 7 Her Majesty will, on the date of the execution of this agreement, pay to the Consultant the sum of \$50,000.00 for the work to be performed by it pursuant to Section 2.

4. The Company will, on the date the report referred to in Section 2 is received by it, pay to Her Majesty the sum of \$25,000.00.

5. The Company will, for the performance of the work to be performed by the Consultant hereunder, and at no cost to the Consultant, provide

- (a) a Bell G-2 helicopter, or similar aircraft, and pilot for use by the Consultant for a period of approximately 21 days;

...3

- 3 -

- (b) adequate caches of gasoline at suitable locations for use by the said helicopter;
- (c) adequate camp facilities at Snake River for use by the Consultant and persons employed by it for the purposes of this agreement; and
- (d) the services of a civil engineer, familiar with the land between the Company's said property and Tide Water, to assist the Consultant.

6. The Consultant will, within 30 days of the date the report is submitted to the Minister, furnish the Minister with a detailed account satisfactory to the Minister of the expenditures incurred by the Consultant pursuant to this agreement.

7. (1) If the aggregate amount of the expenditures incurred by the Consultant, as shown in the statement referred to in Section 6, exceeds the sum of \$50,000.00, the Consultant shall not be entitled to reimbursement of such excess amount.

(2) If the aggregate amount of the expenditures incurred by the Consultant, as shown in the statement referred to in Section 6, is less than the sum of \$50,000.00, the Consultant will pay to Her Majesty the sum representing the difference between \$50,000.00 and the aggregate amount shown in the said statement.

8. If any amount is paid by the Consultant to Her Majesty pursuant to subsection (2) of Section 7, Her Majesty will pay to the Company one-half of such amount.

...4

- 4 -

9. The Consultant will accept the sums paid to it pursuant to Section 3 as full compensation for everything furnished and done by it under this agreement and for any loss, costs, damages, or personal injury, including death, arising out of the performance by the Consultant of the work to be performed by it hereunder.

10. The Consultant will at all times indemnify and save harmless Her Majesty and the Company from and against all claims, demands, loss, costs, damages, actions, suits or other proceedings by whomsoever made, sustained, brought, or prosecuted, in any manner, based upon, occasioned by or attributable to anything done or omitted to be done by the Consultant in the fulfilment or purported fulfilment of any of the provisions of this agreement.

11. This agreement may not be assigned in whole or in part by the Consultant or by the Company without the prior written consent of the Minister.

12. No member of the House of Commons shall be admitted to any share or part of this agreement or to any benefit to arise therefrom.

13. This agreement enures to the benefit of and is binding upon the parties hereto, their respective successors and assigns.

IN WITNESS WHEREOF the Minister of Northern Affairs and National Resources on behalf of Her Majesty has hereunto set his hand and seal and the Company and Consultant have hereunto caused to be affixed their respective corporate seals attested to by the hands of their proper officers duly authorized in that behalf.

...5

SIGNED, SEALED AND DELIVERED
by the ~~Deputy~~ Minister
of Northern Affairs and National
Resources in the presence of

Deputy Minister of Northern
Affairs and National Resources

SEALED AND ATTESTED TO
by the
and the
of Crest Exploration Limited

SEALED AND ATTESTED TO
by the
and the
of Canadian National Railways



(7 Enclosure)

OUR FILE NO. 355-1-1

YOUR FILE NO.

DEPARTMENT OF NORTHERN AFFAIRS AND NATIONAL RESOURCES

NORTHERN ADMINISTRATION BRANCH

ENGINEERING DIVISION

OTTAWA 4, ONT.

URGENT-BY HAND

CHIEF LEGAL DIVISION

August 5, 1964.

ATTENTION: Mr. A. P. Foster

Railway from Crest Exploration Limited property
on the Snake River, Yukon and N.W.T. to Tide Water

This is further to a telephone conversation of this date between Mrs. Sandbrook of the Engineering Division and Mr. Foster regarding a contract in connection with the above.

1. A cheque has not gone forward. Mr. Purves, CNR, is re-writing his letter of July 17 changing the paragraph regarding payment to similar wording shown under the heading "Bases of Payment" on the Treasury Board Minute.
2. As suggested by Mr. Purves in his letter, can we use this form of agreement - exchange of letters - rather than the formal agreement. If so, please outline the steps that should be taken, for example, can we accept CNR's letter by endorsing it, as they requested, before we obtain Crest's acceptance.

Copies are attached of the following:

- i) Treasury Board Minute #628577 of July 30, 1964 authorizing this contract.

- 2 -

- ii) Copy of a letter from the CNR dated July 17, 1964 which will be replaced by a new letter from them as mentioned above.
- iii) Copy of a letter from Crest Exploration dated June 19, 1964.

May we have your comments, please?


A. B. Yates,
Chief

Enclosure



Canadian National Railways

Mr. R. A. J. Phillips,
Director,
Northern Administration Branch,
Department of Northern Affairs
and National Resources,
150 Kent Street,
Ottawa, Ontario.

D. F. Purves
Assistant Vice-President
Research and Development
P. O. Box 8100,
Montreal, Quebec,
17 July, 1964.

Attention: Mr. C. T. W. Hyslop

Dear Mr. Phillips:

I refer to the meeting held in the office of Mr. P. B. Yates (Chief, Engineering Branch, Department of Northern Affairs and National Resources) on June 18 last, attended by representatives of Crest Exploration Limited, Department of Northern Affairs and National Resources, and Canadian National, respecting the question of cost of railway transportation involved in development of the Crest Exploration iron ore property astride the Yukon-Northwest Territory border in the vicinity of Snake River.

This will confirm that the Canadian National is prepared to make a reconnaissance survey of the area involved and to make an assessment of indicated cost of providing railway transportation involved in development of this resource, with financial arrangements as follows:

- a. cost of such reconnaissance survey and assessment not to exceed \$50,000 cash, payment to be arranged by the Department of Northern Affairs and National Resources (this amount exclusive of items provided without charge, by Crest Exploration as set out in (b) below);
- b. in addition to any monetary contribution, Crest Exploration will provide without charge to the reconnaissance survey and assessment:
 - i. use without charge of a helicopter for estimated 21 days,
 - ii. deposit without charge of suitable caches of gasoline to service the helicopter,
 - iii. use without charge of Crest Exploration camp facilities at Snake River,
 - iv. assignment without charge of a civil engineer familiar with the area.

- 2 -

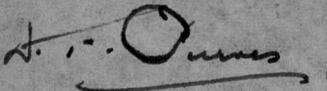
As indicated, we would retain Major J. L. Charles, Consultant, to make the proposed reconnaissance and assessment of cost of providing railway transportation between tidewater and the Crest Exploration property, and his salary and expenses whilst employed on this work would be charged to the reconnaissance and assessment. Other out-of-pocket expenditures incurred by Canadian National in making this review and report are not expected to be significant.

Not all of the \$50,000 estimated as the cost of making this reconnaissance and assessment of costs would be needed at once, and it would be sufficient to deposit with Canadian National at the start of the work (about August 1 or very shortly after) say half of the total estimated cost (\$25,000); the remainder of the estimated cost to be made available when requested by the railway. It is assumed that expenditures incurred in making this reconnaissance and assessment would be audited by you in the usual way following submission of billing covering the work.

As suggested in the meeting of June 18, it is not considered a more formal agreement covering the making of this reconnaissance and assessment by Canadian National for the Department of Northern Affairs and National Resources and Crest Exploration is required. Your return to us of a copy of this letter endorsed "accepted on behalf of the Department of Northern Affairs and National Resources" would be sufficient so far as the railway is concerned. Two additional copies of this letter are enclosed in order that you might have copies to exchange with Crest Exploration.

Two copies, one copy being for Crest Exploration, of the report covering the reconnaissance and assessment of costs of railway transportation will be forwarded to you promptly on completion.

Yours very truly,



D. F. Purves,
Assistant Vice-President.

DFP/ms

c.c. Mr. N. J. MacMillan - Executive Vice-President.
c.c. Mr. J. L. Toole - Vice-President - Accounting & Finance.
c.c. Mr. J. W. Demco - Vice-President - Transportation & Maintenance.
c.c. Mr. A. V. Johnston - Chief Engineer.

000177

(Enclosure)
PATROL
June 24-64

CREST EXPLORATION LIMITED

MEDICAL ARTS BUILDING, 329A - 6TH AVENUE S.W.

CALGARY, ALBERTA.

June 19, 1964.

ENGINEER ATTY. BRANCH
OTTAWA, ONT.
JUN 23 1964
355-1-1
20

The Honourable Arthur Laing,
Minister of Northern Affairs
and National Resources,
Langevin Block,
Metcalfe and Wellington Streets,
Ottawa, Canada.



Dear Mr. Laing:

A meeting was held in Ottawa on June 18, 1964, attended by representatives of your Department, the Canadian National Railway and Crest Exploration Limited. At that meeting, Crest Exploration Limited agreed to contribute the following to the conduct of a reconnaissance survey leading to the preparation of an estimate of the cost of constructing and operating a railway from the sea coast to Crest's Snake River iron deposit:

1. Use without charge of a Bell G-2 helicopter for an estimated period of twenty-one days, this helicopter to be at the disposal of Major Charles during his survey.
2. Assignment without charge of a civil engineer with experience in the area.
3. Use without charge of Crest's camp facilities at Snake River.
4. Deposit without charge of suitable caches of gasoline to service the helicopter at the direction of Major Charles and during his survey.
5. In addition to the above, a cash contribution of 50% of the out-of-pocket expenditures, not to exceed \$25,000., required to conduct the survey and prepare the estimate.

It is our understanding that Major Charles will be employed by the Canadian National Railway, and will have the services of certain of its technical personnel. Major Charles, under contract to the Canadian National Railway, will send his completed report to you with a copy being made available to Crest. The Canadian National Railway will have its solicitors prepare a suitable formal document covering this agreement.

Yours sincerely,

H. G. Nicholson
H. G. NICHOLSON
President

Patrol
June

NORTHERN ADMINISTRATION BRANCH
 TEMPORARY FILE

FILE NO. TEMP. FILE NO.

355-1-1

7342

SUBJECT

Proposed Railroads

MAIN FILE IS CHARGED TO 26/8
 K4

REFERENCE

DISPOSAL

REFERRED TO	REMARKS	DATE	INITIALS	DATE OF P.A. OR T.	DATE OF B.F.	INITIALS	REGISTRY INSPECTION
K1	13/8 9787	27/8	JE	15-9		UP	SEP 16 1964
K1	30/7 9786	27/8	JE	15-9		UP	SEP 16 1964

JE 17/8

~~M. J. Boyle~~
M. A. Blanch

Document disclosed under the
Document divulgué en vertu de la Loi



000180

P.A.
M.S.

DEPT. Northern Affairs and National Resources

FILE 355-1-1

DATE ~~August 10, 1964.~~

T.B. CODE

AUTHORITY TO AMEND TREASURY BOARD MINUTE 628577 OF JULY 30, 1964

DETAILS OF REQUEST TO THE HONOURABLE THE TREASURY BOARD

CONTRACT: To assess the cost figure prepared by Canadian Bechtel for constructing and equipping a railway from the Crest Exploration Limited Property on the Snake River, Yukon and Northwest Territories to Tide

CONSULTANTS: The Canadian National Railways, Montreal, Quebec.

COST: To Amend Cost To Read

\$50,000.00 - \$25,000.00 chargeable to Vote 105 Yukon Territory - 02.1003-23-2 Construction or Acquisition of Buildings, Works, Land and Equipment and \$25,000.00 chargeable to the Finance Vote. \$25,000.00 is recoverable from Crest Exploration Limited as they have agreed to provide a cash contribution of 50% of the actual cost with a maximum contribution of \$25,000.00. Vote 105 will be reimbursed upon receipt of the \$25,000.00 from Crest Exploration Limited.

All other pertinent facts pertaining to Cost remain the same.

BASIS OF PAYMENT: To Amend Basis of Payment

An advance of \$50,000.00 to be made to the Canadian National Railway from Federal funds of which up to \$25,000.00 is recoverable from Crest Exploration Limited. On completion of the work, they will submit receipted invoices.

Arrangements are to be made between the Crown and Crest Exploration Limited to permit recovery of the cost.

REMARKS: 1. When the original estimate was made for carrying out the appraisal, payment was to be made on the basis of receipted invoices from C.N.R. on completion of the appraisal.

The Canadian National Railway have now advised us that they will require the total estimated cost of \$50,000.00 in advance before they will commence work.

NORTHERN ADMIN. BRANCH
OTTAWA, ONT.
AUG 27 1964
No. 9786
FILE 355-1-1
REFER TO K1

RECOMMENDED

MINISTER

APPROVED BY THE TREASURY BOARD

T.B. 629804 *budget #1*

DATED *X*

DEPT. Northern Affairs and National Resources
FILE 355-1-1
DATE August 10, 1964.

T.B. CODE
AUTHORITY TO AMEND TREASURY BOARD MINUTE 628577 OF JULY 30, 1964

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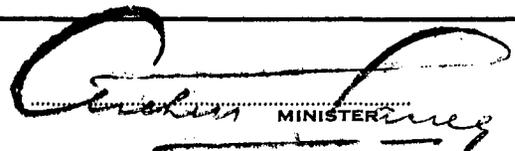
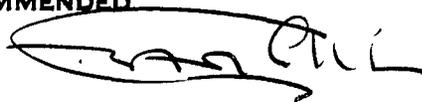
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RECOMMENDED


MINISTER

APPROVED BY THE TREASURY BOARD

628804

AUG 13 1964



T.B.

DATED

ASSISTANT SECRETARY

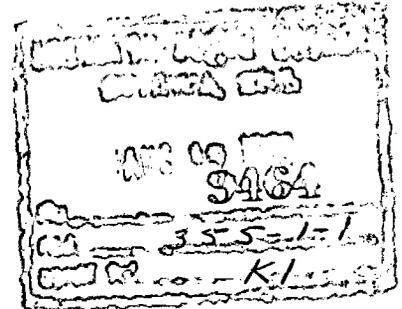
000182

Send copy to Mr. A. Brown

*Mr. Gordon,
Ottawa*

Ottawa: August 13th, 1964

Frank H. Brown Esq., President,
The White Pass & Yukon Corporation Ltd.,
1312 Standard Building,
310 West Hastings Street,
Vancouver 2, B.C.



Dear Frank:

My thanks for your most helpful letter of August 7th, 1964 on the subject of the Canadian National Railway's route study from the site of the Snake River Iron deposit through to tidewater. Your offer to make the work which your Company has done in this field available to me for study is most welcome and appreciated. I will be glad to receive it and to discuss our entire problem with you whenever you are able to come to Ottawa.

The Canadian National Railway has commenced its work and I am hopeful of having a report before the end of 1964. At some stage in the Fall it will be under review in the Montreal office of the Canadian National Railway and I am sure that when you visit they will be glad to discuss with you the problems they have encountered, and to obtain your views.

As you know it is my purpose to find some way to bring this enormous property into production at an early date, on a viable basis. The cost of transportation is one of the chief problems and I welcome every assistance, but particularly yours with the vast experience you have had in transportation and in the Yukon. I am not able to comment at this time on any ongoing matters which might flow from a decision that railway construction was feasible. At the moment my Cabinet colleagues have simply agreed to authorise the study of costs. A decision to lend Government assistance is still well before us, as is any decision involving organisation of the project.

I hope you will be able to come to Ottawa in early September

.../2

and I look forward to meeting you here. Please give my office the earliest possible notice, as I suspect that during a part of September I will be absent from Ottawa. If we do miss, we must make a point of speaking together in Vancouver.

Kind regards,

Yours very truly,

SEP 14 1964

Arthur Laing.

Ottawa: August 13th, 1964

Frank H. Brown Esq., President,
The White Pass & Yukon Corporation Ltd.,
1312 Standard Building,
510 West Hastings Street,
Vancouver 2, B.C.

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Kind regards,

Yours very truly,

ORIGINAL SIGNED BY
ARTHUR LEUNG

Arthur Leung.

Sending to Mr. Brown

*Mr. Gordon,
Only.*

Ottawa: August 13th, 1964

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The White Pass & Yukon Corporation Ltd.,
1312 Standard Building,
510 West Hastings Street,
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Kind regards,

Yours very truly,

SEP 11 1964

Arthur Laing.

Ottawa: August 13th, 1964

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1312 Standard Building,
510 West Hastings Street,
Vancouver 2, B.C.

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Kind regards,

Yours very truly,

ORIGINAL SIGNED BY
ARTHUR L. L.

Arthur L. L.

355-1-1

B.F. Sept. 8
CTWH

Mr Hunt
133

CONFIDENTIAL

Ottawa, August 11th, 1964.

RECALL
8/9 1964
133
Noted

Hon. J. W. Pickersgill,
Minister of Transport,
Room 415B,
House of Commons,
OTTAWA.

Re: Proposed Survey of Railway to the Snake River Iron property
in the Yukon Territory.

My dear Colleague:

I have just received a copy of your letter of this date addressed to Hon. George J. Halliwell, President of the Privy Council, in connection with the above subject.

I am surprised to know that you were not consulted in this matter prior to the time of the submission being made to the Treasury Board. My Deputy Minister was requested to review the contents of the submission with the Deputy Minister of Transport, Mr. Baldwin, and I am advised that this was done. In addition, one of your Assistant Deputy Ministers wrote to the Secretary of the Treasury Board commenting upon aspects of my request to Treasury Board.

The limited nature of the request to Treasury Board must be understood. It calls for the payment of \$25,000 to the Canadian National Railway which, together with a like payment from Crest Exploration Limited, will finance this summer and fall a preliminary kind of study of costs of a railway route. As I said in my memorandum to Treasury Board, it is not a proposal or acceptance in principle of the construction of a railway. The study will address itself solely to the economics of transport by rail. The purpose of the submission is so that I may understand the economics of the vast Crest iron deposit and our problems in bringing it into production. To my mind, this is a problem in Northern administration and development completely analogous to proposals to construct a highway or air-strips.

18/8/64

2.

On the morning of the day this matter was submitted to Treasury Board, July 30th, 1964, I forwarded to you my memorandum to Treasury Board, together with a copy of a memorandum outlining the details of a meeting with officials of Standard Oil of California held in San Francisco. I forwarded like documents to the Minister of Finance and the President of the Privy Council. These were designed to provide the fullest possible information about the matter in question. I am not certain what procedures are adopted to advise the Minister of Finance of matters before Treasury Board, but I feel certain that our Colleague, the President of the Privy Council will keep the Minister of Finance appropriately informed. At this stage of the submission, it did not occur to me that I need make a point of having personal conversation on the subject with any other Minister.

I must point out that immediately on the approval of Treasury Board, arrangements were confirmed with Crest Exploration Limited and the Canadian National Railway and that the work is under way. It is not at all possible to hold a reconsideration of this matter at this time. It would be a retraction of specific undertakings given as a result of the Treasury Board decision.

Naturally, I would be pleased to attend any meeting with you and our other Colleagues to discuss this matter.

Yours sincerely,

ORIGINAL SIGNED BY
ARTHUR LAING

Arthur Laing.

c.c. Hon. George J. McElraith
Hon. Walter Gordon

(Enclosure)

128-44

c.c. Hon. Arthur Laing

CONFIDENTIAL

August 11, 1964.

Hon. George J. McIlraith, M.P.,
President of the Privy Council,
Ottawa, Ontario.

Re: Proposed Survey of
Railway to the Snake
River Iron property in
the Yukon Territory.

My dear Colleague:

Since I have read the letter and memorandum dated July 30th provided by the Minister of Northern Affairs to the Treasury Board I have had enquiries made from the Secretary of the Treasury Board and have learned that approval was given by the Treasury Board to the proposed expenditure by the government of \$25,000. on a survey of the proposed railway to be made by the Canadian National Railways.

Although I am supposed to be Minister of Transport I was never consulted by anyone about this matter and I have since checked with the Minister of Finance and have been advised that he was not consulted in advance of the consideration by the Treasury Board.

While it is true that the amount involved is not large the implications of the proposal are so great that I feel it should be further considered

2.

by the Treasury Board and perhaps by the whole Cabinet before any expenditure is actually made. I feel the first step to reconsideration might be a meeting to be convened by you as Chairman of the Treasury Board with our colleagues, the Minister of Finance, the Minister of Northern Affairs and myself without any officials being present.

As I am leaving for British Columbia tomorrow morning and will be away the rest of the week I wonder if we could have such a meeting this evening. Mr. Gordon is, I believe, fully occupied this morning and will be kept in the House until the Federal-Provincial measure is through. If it should be quite impossible for him to be free even in the evening perhaps you, Mr. Laing and I might get together. I would be most grateful if you could find it possible to have such a meeting arranged.

Yours sincerely,

J. W. Pickersgill.

PA-WFAD

J.D. Link, Esq.,
Apt. 12, 40 Judge Ave.,
North Bay, Ontario.

Ottawa 4, August 11, 1964.

1010-10-2

355-1-1

Dear Mr. Link:

My Minister, the Hon. Arthur Laing, wrote to you recently about your interest in the Crest Exploration iron ore deposit, and he mentioned a number of articles which had appeared in newspapers and magazines.

north, the magazine of the Northern Administration Branch of the Department of Northern Affairs and National Resources, also carried in the May-June, 1963, issue, an article on the Crest property. I am happy to enclose a complimentary copy; I hope it will be of interest to you.

Yours sincerely,



Encl.
Harry Howith/ic/H

Harry Howith,
Editor of north

File Copy

000196

T.B. CODE

AUTHORITY TO AMEND TREASURY
BOARD MINUTE 628577 OF
JULY 30, 1964

DEPT. Northern Affairs and National
Resources

FILE 355-1-1

DATE August 10, 1964.

Handwritten initials and date:
10/10/64

DETAILS OF REQUEST TO THE HONOURABLE THE TREASURY BOARD

CONTRACT: To assess the cost figure prepared by Canadian Bechtel for constructing and equipping a railway from the Crest Exploration Limited Property on the Snake River, Yukon and Northwest Territories to Tide Water.

CONSULTANTS: The Canadian National Railways,
Montreal,
Quebec.

COST: To Amend Cost To Read

\$50,000.00 - \$25,000.00 chargeable to Vote 105 Yukon Territory - Construction or Acquisition of Buildings, Works, Land and Equipment and \$25,000.00 chargeable to the Finance Vote. \$25,000.00 is recoverable from Crest Exploration Limited as they have agreed to provide a cash contribution of 50% of the actual cost with a maximum contribution of \$25,000.00. Vote 105 will be reimbursed upon receipt of the \$25,000.00 from Crest Exploration Limited.

All other pertinent facts pertaining to Cost remain the same.

BASIS OF PAYMENT: To Amend Basis of Payment

An advance of \$50,000.00 to be made to the Canadian National Railway from Federal funds of which up to \$25,000.00 is recoverable from Crest Exploration Limited. On completion of the work, they will submit receipted invoices.

Arrangements are to be made between the Crown and Crest Exploration Limited to permit recovery of the cost.

REMARKS: 1. When the original estimate was made for carrying out the appraisal, payment was to be made on the basis of receipted invoices from C.N.R. on completion of the appraisal.

The Canadian National Railway have now advised us that they will require the total estimated cost of \$50,000.00 in advance before they will commence work.

RECOMMENDED

Handwritten signature

.....
MINISTER

APPROVED BY THE TREASURY BOARD

T.B.

DATED.....

000197

To: Director,
A:
For: N.A. Branch
Pour:

Date August 7/64

Approval
Approbation

May we discuss
Discussion avec nous

Signature

As requested
Selon indications

Comment
Commentaire

Note
Noter

Action
Donner suite

Note and return
Noter et retourner

Direct Reply
Répondre directement

Note and forward to—
Noter et faire suivre à

Copy for this office
Copie pour ce bureau

.....

Preparation of reply by
Réponse d'ici le

Information

.....

Redy

TREASURY BOARD



CONSEIL DU TRÉSOR

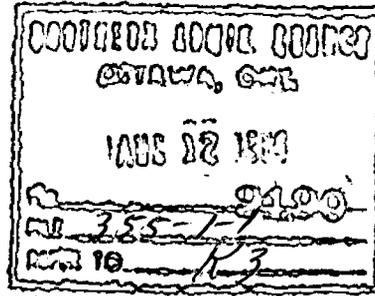
T.B. 628577

Mr. Gordon (on return)
Mr. Carter

OTTAWA 4, August 5, 1964

PA. 10/18/64
[Signature]

Mr. E.A. Côté,
Deputy Minister of
Northern Affairs and
National Resources,
OTTAWA, Canada.



40-3-52

Dear Mr. Côté

CC on 1003-23-2

Treasury Board at its meeting on July 30, 1964 again considered and approved your Minister's submission of July 7th for authority to retain the Canadian National Railways for an engineering feasibility study of a proposed railway from the property of Crest Exploration Limited on the Snake River, Yukon and Northwest Territories to tide water.

The proposal involved a \$25,000 federal share of the estimated \$50,000 cost of the study, with the balance to be financed by the Company. An allotment of \$25,000 will be made from the Finance Contingencies Vote to cover the proposed federal share, subject to the submission of an item at the next set of Estimates, rather than charging this to your Yukon capital vote. This approach was preferred since it would appear desirable to finance this outlay from the vote to which any subsequent subsidy or construction funding will be charged, should the project go ahead, and it has not yet been determined whether the Department of Transport or your Department would have the major interest in such a railway.

The allotment is being issued under separate cover.

Yours truly,

[Signature]

Assistant Secretary.

[Signature]
14-8-64

[Signature]
14/8/64

PA, file,
D.L.
17-4

355-1-1

URGENT-BY HAND

CHIEF LEGAL DIVISION

August 5, 1964.

ATTENTION: Mr. A. P. Foster

Railway from Crest Exploration Limited property
on the Snake River, Yukon and N.W.T. to Tide Water

This is further to a telephone conversation of this date between Mrs. Sandbrook of the Engineering Division and Mr. Foster regarding a contract in connection with the above.

1. A cheque has not gone forward. Mr. Purves, CNR, is re-writing his letter of July 17 changing the paragraph regarding payment to similar wording shown under the heading "Bases of Payment" on the Treasury Board Minute.
2. As suggested by Mr. Purves in his letter, can we use this form of agreement - exchange of letters - rather than the formal agreement. If so, please outline the steps that should be taken, for example, can we accept CNR's letter by endorsing it, as they requested, before we obtain Crest's acceptance.

Copies are attached of the following:

- 1) Treasury Board Minute #628577 of July 30, 1964 authorizing this contract.

- 2 -

- ii) Copy of a letter from the CNR dated July 17, 1964 which will be replaced by a new letter from them as mentioned above.
- iii) Copy of a letter from Crest Exploration dated June 19, 1964.

May we have your comments, please?

A. B. Yates,
Chief

*Sent by Engineering
V.S.*

**EXTRACT from the minutes of a meeting of the Honourable the
Treasury Board, held at Ottawa, on July 30, 1964**

T.B. 628577-1

NORTHERN AFFAIRS AND
NATIONAL RESOURCES

Mr. Stewart
Mr. August
For action

NORTHERN ADMINISTRATION
OTTAWA, ONT.

AUG 18 1964

No. 9465

FILE 355-1-1

REFER TO 1907

413

The Board approves an allotment in the amount of \$25,000 from Finance Vote 15, "Contingencies", of the Estimates for 1964-65, to cover the federal share, \$25,000 or 50% of the actual cost, whichever is the lesser, of the cost of an engineering feasibility study by the Canadian National Railways of a proposed railway from the property of Crest Exploration Limited on the Snake River, Yukon and Northwest Territories, to tide water, subject to the submission of an item for consideration with Supplementary Estimates 1964-65.

G. J. ...

ASSISTANT SECRETARY

JG/YR

NORTHERN ADMINISTRATION BRANCH
 TEMPORARY FILE

FILE NO. 355-1-1 TEMP. FILE NO. 3333

SUBJECT Proposed Railroads Y.T.

MAIN FILE IS CHARGED TO
31/7 K4

REFERENCE					DISPOSAL			
REFERRED TO	REMARKS	DATE	INITIALS	DATE OF P.A. OR T.	DATE OF B.F.	INITIALS	REGISTRY INSPECTION	
K1	31/7 8855	4/8	DC		17/8/64	ABY	MAY 10 1964	
ABY	K1 31/7 8855 BF	17/8	h	24-8		DW	AUG 25 1964	

F.K. DuVos



REFER TO FILE NUMBER

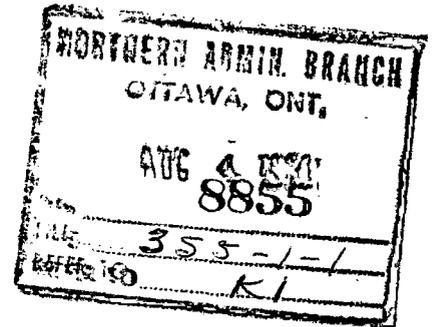
1342-173

DEPARTMENT OF TRANSPORT

ECONOMICS DIVISION

OTTAWA, July 31, 1964.

*copy 24/8/64
m.l.*



Mr. A. B. Yates,
Chief, Engineering Division,
Department of Northern Affairs
& National Resources,
150 Kent Street,
Ottawa 4, Ontario.

Dear *Barry* Mr. Yates:

Attached are the two excerpts from my notes on the White Pass & Yukon Route which you thought might be helpful to you in the absence of Dr. Jenness.

Should you require more information I would suggest you get in touch with Howard Darling on his return August 11 since I will probably not be here next week.

Yours very truly,

Fred DeVos

F.K. DeVos,
Economist.

6/30/64

Memo for File 1342-173

December 18, 1963.

Subject: WHITE PASS & YUKON ROUTE

A. Financial Background: According to President Frank H. Brown the W.P. & Y.R. has provided vital transportation services between Vancouver and the Yukon for 30 years without any federal subsidy. He also stated that bondholders had taken a loss of some \$2 million in defaulted interest payments and that even now the Company barely managed to meet its funded debt and depreciation charges. According to Stock Market information, W.P. & Y.R. ~~also~~ ^{now} manages to pay an average of 3 per cent yield to shareholders.

This dividend is significant if it is remembered that the Corporation has just gone through a costly rail relay and is completing a dieselization programme, acquired the container ship M.V. "Clifford J. Rogers" in 1955 and Loiselle Transport Limited (an Edmonton-based trucking firm) in 1962. These investments have been financed mainly through the issue since 1951 (when the British company was reorganized as a Canadian corporation) of \$4.8 million worth of debentures and loan stock (ranging from 4½ to 5½ %) which had been reduced to \$3,277,850 by the end of 1962, as well as through consistent ploughing back of earnings. These operating earnings — before taxes — were \$965,475 in 1962 and \$885,832 in 1961.

The Corporation appears well managed financially and the fact that it currently yields some \$500,000 in income tax per year should serve as a deterrent to the Government against any intervention that might turn this healthy carrier into another subsidy seeker.

B. Freight Operations Water-Rail: Current traffic runs approx. 80,000 tons lead and zinc concentrates (United Keno) and asbestos (Gassiar) Southbound and 35,000 tons of general cargo Northbound. The rates quoted to or from Vancouver are about \$18 a ton South and between \$38 and \$72 a ton North, or the equivalent of 1.8 cents per ton-mile south and from 3.8 cents to 7.2 cents per ton-mile north. Considering the climate and nature of the terrain, the relatively small over-all volume moved, the transfer at Skagway and the inability of southbound bulk commodities to bear more adequate freight rates, these door-to-door rates do not seem to justify the term "exorbitant" that is sometimes pinned on them. Indeed, Whitehorse is generally agreed to be the most inexpensive place to purchase supplies in the entire Canadian North just because of the W.P. & Y.R. It would seem that here we are faced with another typical instance of the inability of the general public to accept the principle of cross-subsidization inherent in railroad economics.

However, President Frank Brown stated his firm was well aware of the need to reduce these Northbound rates now averaging \$40^{plus} per ton but that their plans would require another two years before they would be ready to do this and meet competition from water-truck haulers using the Haines Road. These plans involve acquisition of another ship, replacement of the present 7x7x8-foot containers * (1 for 3) by 7x7x11-foot ones, improved mechanized handling equipment and terminal facilities at Skagway, etc.

* These details were obtained at Skagway.

the narrow gauge

- 2 -

To finance these plans estimated to require some \$5-6 million, Mr. Brown said the Corporation had already saved some \$1,750,000 (the Balance Sheet shows \$1,902,737 in Investments). Diesel locomotives apparently had been ordered at a cost of \$570,000 to be delivered in April 1963.

According to Messrs. Brown and Friesen, a loss of even a mere 5,000 tons of northbound freight, say to the Haines Road truck route, would put them in the red on their rail & water service. This figure represents approximately 15 per cent of their total northbound traffic (35,000 tons) of which about half (17,000 tons) is destined for Territorial Supply, the forwarding agents of the United Keno and Cassiar mining companies. In other words, the threat to the White Pass' lucrative traffic is very real as far as 18,000 tons goes and depends, as to the balance, on the preparedness of Territorial Supply to give part or all of its incoming business to the potential competition while demanding continued low-rate outgoing freight service (presumably through a rail subsidy) from the very railroad carrier from which it would have withdrawn its incoming freight. To these real threats should be added the well known fact that a year round highway maintained at public expense might well help generate considerably more through-trucking than anticipated, in connection with a trailer-barge service to Vancouver and/or directly to Rupert with the Alaska Marine Highway System which disclaims to be a water carrier possibly to avoid Canada Shipping Act restrictions.

While such competition by road and water would obviously benefit the particular commodities captured from the rail-water route, it would probably raise the cost of moving the balance of general cargo left to the railway and could very well jeopardize the southbound movement of concentrates and asbestos and ultimately throw the rail-water service into such a desperate operating position as to force either its cancellation or its subsidization in the public interest. Indeed, the irony of the Haines Road opening is that, as its economic justification would increase through increasing truck usage, the economic foundation of the White Pass Route would correspondingly be undermined thereby nullifying, or rather surpassing the net economic benefits of the Haines Road.

All in all, this situation appeared to have so many disruptive implications and to promise so few real transportation advantages to the area concerned that the Department concluded that the Haines Road should not be kept open before a two year experimental period. This stand was firmly stated by the Minister at the Cabinet Committee which later decided in favour of a one-year experimental opening.

C. Passenger Operations Rail and Road: Mr. Brown readily admitted that the Alaska Marine Highway had led to an increase in White Pass passenger and car-on-flatcar business but he obviously could not give this development any significance as compared with the vital freight traffic. The White Pass officials emphasized that most of the passenger traffic consisted of summer tourists who would drive one way along the Alaska Highway or Haines Road to or from Whitehorse and make the other leg via the railway from or to Skagway.

Rates are U.S. \$19.00 one-way and U.S. \$35.00 return, including meals at Lake Bennett Station.

Passengers travelling on the Alaska State Ferry System are offered a special \$65.00 family package rate covering one-way fares for two passengers and one automobile.

Passengers arriving by automobile or camper at Whitehorse are also offered (every fortnight in summer) a combined rail-water service to North

Proposed Rail
roads

31/7 K4

NORTHERN ADMINISTRATION BRANCH
 TEMPORARY FILE

FILE NO. _____ TEMP. FILE NO. **7033**
~~895~~ **355-1-1**
 SUBJECT **Proposed Railroads VT**

MAIN FILE IS CHARGED TO
K4 31/7

REFERENCE					DISPOSAL		
REFERRED TO	REMARKS	DATE	INITIALS	DATE OF P.A. OR T.	DATE OF B.F.	INITIALS	REGISTRY INSPECTION
DO	30/7 8950	6/8	DC	10/0...		<i>J.P.R.</i>	AUG 10 1934 <i>JP</i>
K1	30/7 8950	6/8	DC	T		<i>J.P.R.</i>	AUG 10 1934 <i>JP</i>
K3	5/8 9190	12/5	DC	14/8/64		<i>J.P.R.</i>	AUG 14 1934 <i>JP</i>

E.A. Cole

To:
A: MR. PHILLIPS
For:
Pour:

Date Aug. 4/64

- | | |
|---|--|
| <input type="checkbox"/> Approval
Approbation | <input type="checkbox"/> May we discuss
Discussion avec nous |
| <input type="checkbox"/> Signature | <input type="checkbox"/> As requested
Selon indications |
| <input type="checkbox"/> Comment
Commentaire | <input type="checkbox"/> Note
Noter |
| <input type="checkbox"/> Action
Donner suite | <input type="checkbox"/> Note and return
Noter et retourner |
| <input type="checkbox"/> Direct Reply
Répondre directement | <input type="checkbox"/> Note and forward to—
Noter et faire suivre à |
| <input type="checkbox"/> Copy for this office
Copie pour ce bureau | |
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Réponse d'ici le | <input checked="" type="checkbox"/> Information |
| | <input type="checkbox"/> |

Site

000209



Department
of Northern Affairs
and National Resources Deputy Minister

Ministère
du Nord canadien et
des Ressources nationales Sous-ministre

MEMORANDUM FOR FILE

OTTAWA, July 30, 1964. X

our file / notre dossier
your file / votre dossier

NORTHERN ADMIN. BRANCH	
OTTAWA, ONE	
AUG 6 1964	
No.	8950
FILE	355-1-1
REFER TO	10.0-2

KTS

Crest Mines

Treasury Board approved today of this Department's contributing \$25,000 to a \$50,000 study to be made by Major Charles of the C.N.R. of the possible cost of a railway from Snake River iron ore deposit to Skagway. The other \$25,000 is to be paid by Crest Iron. It was clear to Ministers that they approved only this phase of the government participation which would enable Departments to ascertain more clearly the economics of a possible development of this iron ore deposit.

I immediately phoned Mr. Purvis, Vice-President (Research), of the C.N.R. in Montreal. In his absence I spoke to his Executive Assistant, Mr. K. H. Ralston, and explained to him that the government had now approved of this project and that I was informing him immediately so that there would be no misunderstanding and that Major Charles would proceed immediately with his survey. Mr. Ralston told me that Mr. Purvis had just received a letter from Major Charles indicating that he was leaving for this survey on August 5 and would be on the ground on August 11.

I also previously had asked Mr. Phillips to raise an encumbrance for \$25,000 and pass the cheque to the C.N.R. I so informed Mr. Ralston.

E. A. C.

EAC/HCK

cc to: Northern Admin. ←
Mr. Austin
Mr. Gordon (on return)

MEMORANDUM TO TREASURY BOARD - July 30, 1964

Re: Iron property on the Snake River, Yukon and Northwest
Territories, owned by Crest Exploration Limited

Under date July 7th, 1964 I requested authority from the Treasury Board to engage the Canadian National Railway as a consultant for the purpose of making a preliminary assessment of the approximate cost involved in constructing and equipping a railway from the site of an iron property located at the Arctic Circle on the Yukon/ Northwest Territory border to the Pacific Ocean. The proposal agreed to between my Department and Crest Exploration Limited is for a joint expenditure of \$50,000 to be paid for on an equal basis, that is to say \$25,000 by my Department, so that each of us will have a better appreciation of the economics of transportation as they apply to this mineral property. Because of discussion which has taken place on two occasions in Treasury Board since July 7th, 1964, I am submitting this memorandum to make a more detailed explanation of the role which my Department has played in supporting the possibility of early development of this property and in supplementing the information contained in the earlier submission, so as to meet questions which have been raised in the interim period.

While I do not want to repeat the background description which is before Treasury Board, I want to emphasise that this property may well be the key to early economic development in the Yukon Territory, and its being placed in production would add important resource realisation to the economy of Canada.

I wrote to the Prime Minister outlining my views in this matter on August 19th, 1963. In particular I pointed out to the Prime Minister the importance of realising at the earliest possible time the potential of this property because of the limited markets for iron in terms of growing world supply. There is an undoubted danger of other countries preempting these markets - particularly Japan - before we are in a position to be competitive. I advised the Prime Minister of a two-billion ton iron property at Philbara in Western Australia to which the Western Australian Government is granting support to the extent of \$164,000,000 of public funds to assist the private owners, RioTinto and Kaiser Steel, in equipping the property for production and in developing a railway to tide-water over a distance of some 150 miles.

In May, 1963, I specifically asked George L. Knox, then President of Crest Exploration Limited, whether he would be prepared to go to Japan to speak to Japanese steel interests about the Crest iron property. Mr. Knox was agreeable, and I spoke to the Prime Minister about my desire to have Mr. Knox received at the highest possible levels in Japan. The Prime Minister arranged through the Canadian Ambassador in Tokyo for Mr. Knox's visit, and particularly arranged meetings between Mr. Knox and the Prime Minister Mr. Ikeda; the Minister of International Trade and Industry, Mr. Fukuda; and the Chairman of the Japanese Iron and Steel Federation, Mr. Nagano. The objective of Mr. Knox's visit was to interest Japan, our only possible outlet for iron at this time, in participating in the development of the property and, as a first step, in persuading the Japanese government to send a high-ranking technical group to inspect the deposit. Mr. Knox carried

● this assignment in excellent fashion in July 1963, and succeeded in accomplishing his task of obtaining substantial Japanese interest, including a visit of the Japanese Ambassador and a technical team from Japan to the property, in August 1963.

The Prime Minister, on September 4th, 1963, in response to my letter of August 19th and my discussions with him concerning Mr. Knox' visit to Japan, wrote that he fully agreed with my assessment of the importance to Canada of the Snake River development, and the possible effect on this prospect of the substantial financial assistance which the Australian Government was giving to their own Philbara iron development.

In January of 1963, Canadian Bechtel Limited delivered to Crest Exploration Limited their preliminary evaluation report on the economic feasibility of the iron deposit. In the Fall of 1963 a further appreciation of the standing of the property was undertaken by us, and discussions were held with Mr. Knox which led to his letter of December 5th, 1963. In the simplest terms, the cost of production is the key to the development of this property. Paramount amongst these costs is the cost of the transportation of the products of the property to tidewater. Mr. Knox' letter summarizes the evaluation of the Bechtel report and comments upon it. The Bechtel report predicted a possible cost for railway construction on the basis of \$540,000 per mile - or nearly \$524,000,000 for its entire length. Both Crest Exploration and my Department have serious reservations regarding this cost estimate, and it is these doubts which have led to the proposal for a further feasibility report and cost analysis, which is now before Treasury Board.

In Mr. Knox's letter of December 5th, 1963 he referred to the possibility of a railway to be built with Government support. He did not detail what kind of support he had in mind. In the submission to Treasury Board of July 7th, 1964, at the beginning of the last page a reference is made to the Government of Canada being requested at a future time for an undertaking to provide a railway to the property. I want to make it indelibly clear that the proposal of July 7th, 1964 before Treasury Board, does not constitute in any way a request to Treasury Board to consider, evaluate or decide whether the Government of Canada should support such a railway. The request to Treasury Board is based solely on the proposition that the Government needs to know more of the facts relating to the cost of railway construction in order to understand better what potential this iron property has for the immediate future.

My Department has evaluated the Bechtel report, and considered the Knox letter of December 5th, 1963. It is clear that there are important disadvantages relating to the property concerned with cost, and transportation is prominent. It is also equally clear that this enormous iron property is one of the most substantial potential resources in Canada. The conservative figure of 20 billion tons of resources is equivalent to better than 4 times the total United States consumption, in all history to date. It is beyond doubt that we must do everything possible to bring this property into production. Therefore, it is necessary that the Government make a full investigation of the potential of the property in order to understand the kind and amount of assistance which might be required in relation to the benefits which might be conferred.

In a discussion between myself and Mr. Howard Nicholson, the successor to Mr. Knox as President of Crest Exploration Limited, held in Calgary in March 1964, it became obvious to me that Crest Exploration Limited were not prepared to proceed with substantial risk capital and effort in developing the property at this time unless they saw equal interest in the development of the property by the Canadian Government. This did not involve any specific kind of interest, but did involve in their minds the present recognition by Canada of the problems relating to the property development and a willingness to join in attempting their solution.

In the month of April 1964, I came to the conclusion that the cost analysis on railway transportation was unsatisfactory to both Crest Exploration Limited and to ourselves, and that it would be desirable to have the Canadian National Railway do a further specific feasibility study of a preliminary kind, to see whether costs of construction could not be substantially reduced. On April 23rd, 1964, I instructed my Deputy Minister to see whether the Canadian National Railway would be willing to do this work and to advise me whether it could be done for the sum of \$50,000. I wrote to Mr. Nicholson on May 13th, 1964 - responding for the first time to the letter of December 5th, 1963 - and suggesting to him that Crest Exploration Limited and my Department participate on the basis now proposed to Treasury Board, on a study to be carried out on the subject of railway construction costs. On May 26th, 1964 Crest Exploration Limited accepted this proposal by telephone, and confirmed same on June 2nd, 1964. Detailed arrangements with respect to the use of equipment and personnel have been made by my Department and the Canadian National Railway is prepared to proceed

● mediately. I am advised that, if they are not authorised to proceed by the end of July 1964, they will not be in a position to do the work this year. If this result should occur, it would be a serious set-back for this programme, and place in jeopardy our entire prospects.

I think it is unnecessary to justify the principle of Government participation in resource development in Canada. It is the history of growth in this country, and necessary to our expansion. Our philosophy of Government requires not only provision of basic services such as law and order, health and education, but also requires equally that Government provide the basis upon which industry and finance can carry forward resource development.

S U M M A R Y

Because of the many questions directed to me in Treasury Board, I have outlined in this detail the origin and policy of which the present request to Treasury Board forms a part. I make the following submissions:

- 1) It is within the economic context of Government in Canada to promote vital resources development by appropriate Government assistance.
- 2) The Crest iron deposit is one of the great iron deposits of the world, and its development is a sine qua non of Yukon development and of substantial improvement to the Canadian economy.
- 3) Certain obstacles are apparent in the realisation of production

from this property, and the cost of transportation is significant. Crest Exploration Limited have expended over \$2,500,000 in two years on exploration and feasibility studies, and in my view have not lagged or asked for unnecessary assistance. I am quite content with their work to date and their interest in developing the property.

- 4) In my opinion, no early development of the property will result if the Government does not continue the initiative which is now in existence.
- 5) A new study of the cost of transportation is required and I recommend that the sum of \$25,000 out of funds available in my Department, be allocated immediately to a joint cost-sharing agreement with Crest Exploration Limited to allow the Canadian National Railway to complete this study in the present year.



Arthur Laing

Proposed Railroads

Y.T.

3117 K4

PA
24-7
DW

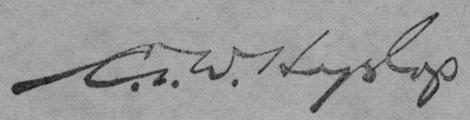
Sent 28/7/64
BKR
355-1-1
JCP
JJP

Ottawa, ²⁸ July, 1964.

DEPUTY MINISTER

Questions and Answers -
Crest Exploration Railway
Survey Submission

I attach some notes on the Crest Exploration submission
which I hope will answer the questions you raised.



Director

A B Yates/dh/d



24/7/64

QUESTIONS AND ANSWERS - CREST EXPLORATION
RAILWAY SURVEY SUBMISSION

Question - Why was a company of this size asking for government help?
Why shouldn't they carry out the study themselves?

Answer - Originally Crest Exploration Limited engaged Canadian Bechtel Limited to carry out an economics study of the whole project. Part of this study consisted of a preliminary look at an automated railway from the property to tide water. The Canadian Bechtel estimate of cost for the railway amounted to \$540,000 per mile equipped or a total of \$524,000,000. Canadian Bechtel Limited engaged Major Charles, consultant to the CNR, for this preliminary estimate.

Crest Exploration Limited has serious reservations as to the validity of this cost estimate. They point out that construction costs of Canadian railways, judging by post-war experience, have ranged from \$105,000 per mile for the Heath Steele Railway in New Brunswick to \$325,000 per mile for the Quebec North Shore and Labrador Railway. They do not think that the conditions prevailing in the Yukon Territory would be more difficult than those in northern Quebec and they consider that it should be possible to construct the railroad in the Yukon for about \$300,000 per mile.

While Crest Exploration did not originally raise the idea of the shared cost railway survey now proposed, they did in a letter to the Minister dated December 5, 1963 request some kind of government support for the railroad if a railroad were to be built. They pointed out in this letter that from their own calculations a pipeline would appear to be equal if not less costly than a railroad. They recognized, however, that a railroad would confer economic benefits to companies other than their own whereas a pipeline would be strictly a single use transportation medium.

The Minister in his reply of May 13, 1964, suggested the idea of an independent study of the cost of establishing and operating the railway with the cost of the study to be shared equally by the federal government and Crest Exploration. He pointed out that an independent study would be of value both to Crest Exploration and the government.

The reason for government participation, therefore, is related to the desirability of having a railroad in the Yukon which could then service other mines and industries rather than to permit the company on its own either not to develop the property at all or to use a pipeline for the development.

Question - Why involve CNR at this point?

Answer - Major Charles is the engineering consultant to CNR and is frequently retained by them for railroad studies. He is probably the most qualified man in Canada for this work and was responsible for the design of the Pine Point Railway. He is tied to the CNR and cannot be retained except through the CNR. It seems probable too that if this railroad is to be constructed the CNR will be involved in its construction and operation. By bringing in the CNR at this stage it is possible to use their technical know-how for estimating purposes, particularly in connection with rolling stock, etc.

...2

Question - Would not a pipeline be cheaper?
Could not the company put in the pipeline by themselves?

Answer - A pipeline might well be cheaper although there are some technical difficulties which might be difficult to resolve. The company could put in a pipeline themselves but this would negate the possibility of the transportation medium being used by anyone else. If costs were equal but resulted in the overall project not being a practical one to Crest Exploration Limited because of transportation problems it might be possible to make the operation economically practical for the company by government subsidization of a railroad, the extent to which the government might subsidize the railway would depend on the benefits that would accrue to users other than Crest Exploration Limited, e.g. United Keno Mines, etc.

Question - Should not DOT be doing this study if government is involved?

Answer - Possibly yes and if the study should lead to government participation in a railroad DOT should certainly be involved. From the Resources standpoint, however, NA&NR has been dealing with Crest Exploration Limited and the idea of further study emanated from Mr. Laing. NA&NR too can provide funds immediately for the work.

FURTHER NOTES:

1. A copy of the DOT letter to the Treasury Board in connection with the submission is attached.
2. There is a high degree of urgency in connection with this submission if the survey is to be allowed to proceed. As part of their contribution, in addition to the \$25,000 cash, Crest Exploration Limited have agreed to provide without charge the use of a helicopter for 21 days, a deposit of gasoline caches and the servicing of the helicopter, the use of camp facilities at Snake River and the assignment of a civil engineer familiar with the area to the consultant. None of these will be available next year if the survey is deferred for any reason. We are advised by CNR that the decision whether or not to proceed with this survey must be made by August 1st and that half the total funds required for the survey, i.e. \$25,000 must be deposited with the CNR by that date.
3. It will be noted that Major Charles, who is to be engaged to carry out this additional survey, also conducted the original survey for Canadian Bechtel Limited. In meetings with Crest Exploration Limited, CNR and Major Charles, we questioned the extent to which the original survey had been carried out and whether Major Charles thought it possible he would be in a position to approximately halve the estimated cost after he had had another look at the site. Major Charles was unwilling to commit himself but it did appear that there was a good possibility of the original estimated cost of \$540,000,000 being substantially reduced.

-3-

4. It should be pointed out that if this survey is carried out at the estimated cost of \$50,000 the resultant report will be little more than a statement as to the feasibility of the railroad and its approximate cost. It will serve too to establish more definitely the line the railroad should take and the gradients involved. Before a more detailed estimate of cost could be arrived at a reconnaissance survey, estimated to cost in the neighbourhood of \$450,000.00, would have to be carried out.

AB Yates/dw/d

COPY

GS/mjl

July 15, 1964.

The Secretary,
The Treasury Board,
Ottawa, Ontario.

Dear Sir,

You have requested the views of this Department respecting a feasibility study of a proposed railway from the Crest Exploration Ltd. property on the Snake River, Yukon to tidewater.

It is noted in the submission to the Treasury Board that unless the Government of Canada undertakes to provide a railway to the property the Company will be unable to develop the deposit. Even if the estimate of Canadian Bechtel can be reduced it would seem to be in any case, because of the length of the line, severity of climate and difficulties of topography, a very costly project. For this reason, it would be necessary to evaluate very carefully the economics of the project as seen by the Company, since a substantial federal contribution might obscure the true economic value of exploiting the deposit at today's costs and prices.

A substantial volume of private capital has been invested in iron ore developments in Canada in recent years, including in some instances the provision of all necessary transport facilities. Some of this investment has been on Pacific Coast properties selling to the same market as this project apparently contemplates. Some consideration should be given to the effect of substantial federal assistance to particular projects on the willingness of private capital to continue to assume the risk in resource development.

In our view, it would appear premature at this stage to become even indirectly involved in any project of this magnitude as long as the Company has not arrived at a satisfactory evaluation of the probable costs that would be incurred. Until this is done, it will not be known what valid claim to assistance the Company might be able to establish. The actual cost of the proposed survey is relatively modest, and one might reasonably expect the Company to bear it. Requiring the Company to do so would leave the government wholly uncommitted in considering any proposition from the Company until more definitive information is available.

Yours sincerely,

J.R. Baldwin,
Deputy Minister.

000223

Dept L 2 K
Direct Reply
1581) Rena Crescent,
West Vancouver, B.C.
July 17, 1964.

The Honourable Arthur Laing,
Minister of Northern Affairs,
Ottawa.

NORTHERN TERRITORY BRANCH
OTTAWA, ONT.
JUL 27 1964
FILE 355-1-1
REFER TO K3

Department of Northern Affairs & National Resources
OTTAWA
JUL 20 1964
OFFICE OF THE
MINISTER

Dear Sir:

I was very interested to read of the proposed development of a northern mine by Crest Explorations, and of investigations to determine feasibility of putting in a railway.

I have an unpatented idea that may be of value to your department. My invention is designed to carry very large loads over the bushlands of the north. Muskeg would not be a serious factor, though steep mountains would be. The total cost would be considerably less than that of 400 miles of railway.

If you are interested, I would be pleased to disclose the idea.

Yours truly,
Guy Roxby.

see 13A
see 25-8

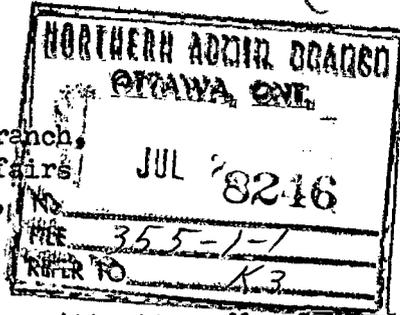


Canadian National Railways

D. F. Purves
Assistant Vice President
Research and Development

P. O. Box 8100,
Montreal, Quebec,
17 July, 1964.

Mr. R. A. J. Phillips,
Director,
Northern Administration Branch,
Department of Northern Affairs
and National Resources,
150 Kent Street,
Ottawa, Ontario.



Attention: Mr. C. T. W. Hyslop

Dear Mr. Phillips:

I refer to the meeting held in the office of Mr. F. B. Yates (Chief, Engineering Branch, Department of Northern Affairs and National Resources) on June 18 last, attended by representatives of Crest Exploration Limited, Department of Northern Affairs and National Resources, and Canadian National, respecting the question of cost of railway transportation involved in development of the Crest Exploration iron ore property astride the Yukon-Northwest Territory border in the vicinity of Snake River.

This will confirm that the Canadian National is prepared to make a reconnaissance survey of the area involved and to make an assessment of indicated cost of providing railway transportation involved in development of this resource, with financial arrangements as follows:

- a. cost of such reconnaissance survey and assessment not to exceed \$50,000 cash, payment to be arranged by the Department of Northern Affairs and National Resources (this amount exclusive of items provided without charge, by Crest Exploration as set out in (b) below);
- b. in addition to any monetary contribution, Crest Exploration will provide without charge to the reconnaissance survey and assessment:
 - i. use without charge of a helicopter for estimated 21 days,
 - ii. deposit without charge of suitable caches of gasoline to service the helicopter,
 - iii. use without charge of Crest Exploration camp facilities at Snake River,
 - iv. assignment without charge of a civil engineer familiar with the area.

- 2 -

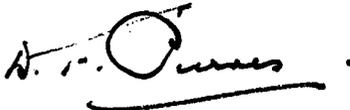
As indicated, we would retain Major J. L. Charles, Consultant, to make the proposed reconnaissance and assessment of cost of providing railway transportation between tidewater and the Crest Exploration property, and his salary and expenses whilst employed on this work would be charged to the reconnaissance and assessment. Other out-of-pocket expenditures incurred by Canadian National in making this review and report are not expected to be significant.

Not all of the \$50,000 estimated as the cost of making this reconnaissance and assessment of costs would be needed at once, and it would be sufficient to deposit with Canadian National at the start of the work (about August 1 or very shortly after) say half of the total estimated cost (\$25,000); the remainder of the estimated cost to be made available when requested by the railway. It is assumed that expenditures incurred in making this reconnaissance and assessment would be audited by you in the usual way following submission of billing covering the work.

As suggested in the meeting of June 18, it is not considered a more formal agreement covering the making of this reconnaissance and assessment by Canadian National for the Department of Northern Affairs and National Resources and Crest Exploration is required. Your return to us of a copy of this letter endorsed "accepted on behalf of the Department of Northern Affairs and National Resources" would be sufficient so far as the railway is concerned. Two additional copies of this letter are enclosed in order that you might have copies to exchange with Crest Exploration.

Two copies, one copy being for Crest Exploration, of the report covering the reconnaissance and assessment of costs of railway transportation will be forwarded to you promptly on completion.

Yours very truly,



D. F. Purves,
Assistant Vice-President.

DFP/ms

- c.c. Mr. N. J. MacMillan - Executive Vice-President.
- c.c. Mr. J. L. Toole - Vice-President - Accounting & Finance.
- c.c. Mr. J. W. Demcoe - Vice-President - Transportation & Maintenance.
- c.c. Mr. A. V. Johnston - Chief Engineer.



Canadian National Railways

Mr. R. A. J. Phillips,
Director,
Northern Administration Branch,
Department of Northern Affairs
and National Resources,
150 Kent Street,
Ottawa, Ontario.

D. F. Purves
Assistant Vice-President
Research and Development
P. O. Box 8100,
Montreal, Quebec,
17 July, 1964.

Attention: Mr. C. T. W. Hyslop

Dear Mr. Phillips:

I refer to the meeting held in the office of Mr. P. B. Yates (Chief, Engineering Branch, Department of Northern Affairs and National Resources) on June 18 last, attended by representatives of Crest Exploration Limited, Department of Northern Affairs and National Resources, and Canadian National, respecting the question of cost of railway transportation involved in development of the Crest Exploration iron ore property astride the Yukon-Northwest Territory border in the vicinity of Snake River.

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- a. cost of such reconnaissance survey and assessment not to exceed \$50,000 cash, payment to be arranged by the Department of Northern Affairs and National Resources (this amount exclusive of items provided without charge, by Crest Exploration as set out in (b) below);
- b. in addition to any monetary contribution, Crest Exploration will provide without charge to the reconnaissance survey and assessment:
 - i. use without charge of a helicopter for estimated 21 days,
 - ii. deposit without charge of suitable caches of gasoline to service the helicopter,
 - iii. use without charge of Crest Exploration camp facilities at Snake River,
 - iv. assignment without charge of a civil engineer familiar with the area.

- 2 -

As indicated, we would retain Major J. L. Charles, Consultant, to make the proposed reconnaissance and assessment of cost of providing railway transportation between tidewater and the Crest Exploration property, and his salary and expenses whilst employed on this work would be charged to the reconnaissance and assessment. Other out-of-pocket expenditures incurred by Canadian National in making this review and report are not expected to be significant.

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Two copies, one copy being for Crest Exploration, of the report covering the reconnaissance and assessment of costs of railway transportation will be forwarded to you promptly on completion.

Yours very truly,



D. F. Purves,
Assistant Vice-President.

DFF/ms

c.c. Mr. N. J. MacMillan - Executive Vice-President.
c.c. Mr. J. L. Toole - Vice-President - Accounting & Finance.
c.c. Mr. J. W. Demcoe - Vice-President - Transportation & Maintenance.
c.c. Mr. A. V. Johnston - Chief Engineer.



Canadian National Railways

D. F. Purves
Assistant Vice-President
Research and Development

P. O. Box 8100,
Montreal, Quebec,
17 July, 1964.

Mr. R. A. J. Phillips,
Director,
Northern Administration Branch,
Department of Northern Affairs
and National Resources,
150 Kent Street,
Ottawa, Ontario.

Attention: Mr. C. T. W. Hyslop

Dear Mr. Phillips:

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- 2 -

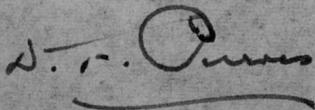
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Two copies, one copy being for Crest Exploration, of the report covering the reconnaissance and assessment of costs of railway transportation will be forwarded to you promptly on completion.

Yours very truly,



D. F. Purves,
Assistant Vice-President.

DFP/ms

c.c. Mr. N. J. MacMillan - Executive Vice-President.
c.c. Mr. J. L. Toole - Vice-President - Accounting & Finance.
c.c. Mr. J. W. Demcoe - Vice-President - Transportation & Maintenance.
c.c. Mr. A. V. Johnston - Chief Engineer.

NORTHERN ADMINISTRATION BRANCH
 TEMPORARY FILE

FILE NO.

TEMP. FILE NO.

SUBJECT

355-1-1

Proposed Railroads Y.T.

MAIN FILE IS CHARGED TO

K3

~~21/7~~

REFERENCE					DISPOSAL			
REFERRED TO	REMARKS	DATE	INITIALS	DATE OF P.A. OR T.	DATE OF B.F.	INITIALS	REGISTRY INSPECTION	
K3	10/7 8208	209	DC	21/7		DB	JUL 21 1964	
K1	19/7 8520	27/7	DC	T		DB	AUG 11 1964	
L1	" "	28/7	JW	T		KB	AUG 11 1964	
D.O.	Big	6/8/64	KB	6/7/8		QSR	AUG 11 1964	
A-3	see note	6/8	QSR	11/8/64		DB	AUG 11 1964	
removed & placed on file					990-5		11/8/64 Y.T.	

To: Dir: N.A. Br.

Date July 15/64

For: Pour:

Approval
Approbation

Signature

Comment
Commentaire

Action
Donner suite

Direct Reply
Répondre directement

Copy for this office
Copie pour ce bureau

Preparation of reply by
Réponse d'ici le

May we discuss
Discussion avec nous

As requested
Selon indications

Note
Noter

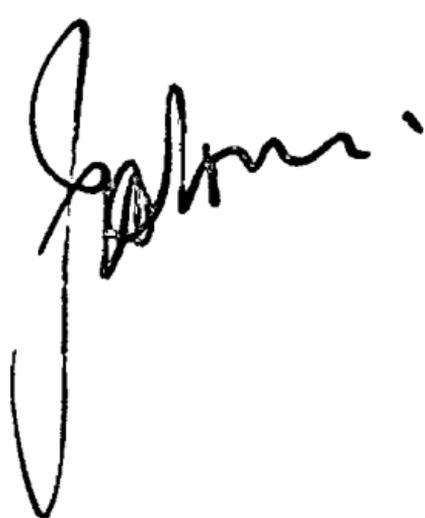
Note and return
Noter et retourner

Note and forward to—
Noter et faire suivre à

.....

Information

.....



000232

TREASURY BOARD

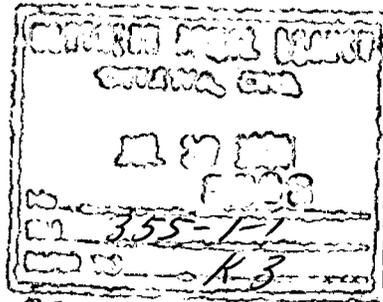


CONSEIL DU TRÉSOR

T.B. 628577

Ottawa 4, July 10, 1964

Mr. E.A. Cote,
Deputy Minister of
Northern Affairs and
National Resources,
Ottawa, Canada.



DEPUTY MINISTER OF NATIONAL RESOURCES
REFER TO
JUL 13 1964
REPLY DUE
FILE No. 40-3-52

Dear Mr. Cote:

Yesterday the Board considered your Department's request for authority to retain the CNR for a \$50,000 engineering feasibility study of a proposed railway from the Crest Exploration Company iron deposit at Snake River to tide water. The study would be an assessment of the cost figure prepared by Canadian Bechtel for construction and equipment of such a railway and would involve 50-50 cost sharing with Crest Exploration.

After reviewing the case the Board indicated that the Department of Transport should be asked for a report, it being the department responsible for railways. Members of the Board were advised that you had asked Transport to sit in on future discussions regarding this project but considered that Transport should have the opportunity of reviewing the proposal in detail and submitting a report before consideration of the submission. Accordingly your submission was allowed to stand.

I have written to Mr. Baldwin on the subject. The Board is prepared to look at the proposal again next week if the Transport report can be made available by that time.

Yours truly,

Assistant Secretary.

K3

17/7

Proposed Railways

IT

PA file,
Rem
7-7-64

CONFIDENTIAL

sent 8/7
M.R.

Ottawa 4, July 8, 1964.

J.R. Baldwin, Esq.,
Deputy Minister of Transport,
Ottawa,
Ontario.

355-1-1

Dear Mr. Baldwin,

Great Exploration Limited

-- Further to my letter of June 24, I attach a copy of the amended minutes of the June 18 meeting concerning the above study.

Yours sincerely,

E. A. Côté

E. A. Côté,
Deputy Minister

L.G. MacQuarrie/ml/h

ml/h

[Large handwritten signature]

*P. A. H. D.
L. G. MacQuarrie
8-7*

CONFIDENTIAL

ASSISTANT DEPUTY MINISTER

Ottawa 4, July 8, 1964.

*sent 8/7
M.R.*

355-1-1

Grest Exploration Limited Railway Study

-- Further to my memorandum of June 22, I attach a copy of the amended minutes of the June 18 meeting concerning the above study.

C. W. Sheppard

L.G. MacQuarrie/ml/c/tr

Director

Gene

40

B.F.
27-7-64
10-7-64

CONFIDENTIAL

sub.

sent 8/7
M. P.

PA
Ed-4
Event.

Ottawa 4, July 7, 1964.

355-1-1

RECALL
27/7/1964
192
Noted *A*

H.G. Nicholson, Esq.,
President,
Crest Exploration Limited,
Medical Arts Buildings,
329A - 6th Avenue S.W.,
Calgary, Alberta.

Dear Mr. Nicholson,

I wish to acknowledge your letter to my Minister of June 19, 1964 concerning the proposed assessment of cost figure shown in the Bachtel Report for proposed railway.

-- Attached is a copy of the amended minutes of the meeting which was held in Mr. Yates' office on June 18.

A submission will be going to Treasury Board within the next day or two concerning the Federal Government's participation in the proposed assessment. When I hear the results I shall contact you again.

Yours sincerely,

R.A.J. Phillips,
Director

L.G. MacQuarrie/ml/c/ro

copy sent 6
M. P. *handy*
322 Kuperin
10/7/64

ET.

Oh.

REC-1
July 15 1964
176
Noted JF

CONFIDENTIAL

Handwritten notes: 12: F, 15-7-64, L6AT(K3)

MR. J. H. GORDON,
ASSISTANT DEPUTY MINISTER

Ottawa 4, July 7, 1964.
send 7/7 m.R.

355-1-1

Handwritten initials: PA, J, 14-8

Crest Exploration Limited Railway Study

Attached for your approval is a Treasury Board Submission requesting authority to engage the Canadian National Railway to conduct an assessment of the figure shown in the Canadian Bechtel Report for the proposed railway from Snake River to tide water.

We had hoped that Mr. D.F. Purves, Assistant Vice President, Research and Development, Canadian National Railway, would submit a firm proposal for the engineering study. Mr. Purves has now advised that such a proposal is not forthcoming but that the C.N.R. is willing to conduct the survey as soon as formal approval is obtained.

When Treasury Board approval is obtained it will be necessary to prepare a suitable agreement with the C.N.R. for the study and a contract with Crest Exploration Limited concerning its contribution towards the cost of the assessment.

C. W. Bishop

L.G. MacQuarrie/ml/h

Director

Handwritten initials: JF

Handwritten initials: J, JF



ACTION REQUEST

TO	DATE
----	------

LOCATION

FROM	RE FILE NO.
------	-------------

July 7

FOR:

- ACTION
- APPROVAL
- COMMENTS
- DRAFT REPLY
- INFORMATION
- INVESTIGATE AND REPORT
- INVESTIGATION
- MAKE.....COPIES
- MORE DETAILS
- NOTE AND FILE

- NOTE & FORWARD
- NOTE & RETURN
- P.A. ON FILE
- REPLY DIRECTLY
- REPLY, PLEASE
- SEE ME, PLEASE
- SIGNATURE
- TRANSLATION
- YOUR REQUEST

PREPARE MEMO TO:.....

REPLY FOR SIGNATURE OF:.....

REMARKS.....

.....

.....

.....

.....

.....

000239



CANADA

Department
of Northern Affairs
and National Resources Northern Administration Branch

Ministère
du Nord canadien et
des Ressources nationales Direction des régions septentrionales

*PA. H.D.
Cem.*

FILE

Ottawa 4, July 7, 1964.

our file / notre dossier
your file / votre dossier

X
355-1-1

Crest Exploration Railway Study

Please refer to Mr. Cote's letter to Mr. Baldwin dated June 24, 1964.

Mr. Yates has been advised that Mr. Darling with Mr. R.R. Cape as alternate will represent the Department of Transport on future meetings and discussions concerning the above subject.

L.G. MacQuarrie/ml/h

L. G. MacQuarrie

[Handwritten signature]
7/7/64

*PA filed.
Cem
7-7-64*

CONFIDENTIAL

*sent 8/7
M.R.*

Ottawa 4, July 6, 1964.

355-1-1

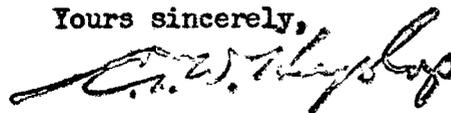
D.F. Purves, Esq.,
Assistant Vice President,
Research and Development,
Canadian National Railways,
P.O. Box 8100,
Montreal, P.Q.

Dear Mr. Purves,

Thank you for your letter of June 26 concerning the minutes of the meeting held in Mr. Yates' office on June 18 concerning Crest Exploration Limited.

-- Attached is a copy of the amended minutes of the meeting.

Yours sincerely,



R.A.J. Phillips,
Director

L.G. MacQuarrie/ml/h

Cem



355-1-1

PA H.A.
2-7-64
RD

sent
26-6-64
RD

CONFIDENTIAL

D. F. Purves, Esquire
Vice-President, Research and Development
Canadian National Railways
C. N. Headquarters Building
Montreal, P. Q.

Ottawa 4, June 26, 1964

Dear Mr. Purves:

Grest Exploration Limited

-- Attached is a copy of a letter from Mr. H. G. Nicholson to my
Minister relating to the meeting which was held in my office on
June 18.

Yours sincerely,

K. W. Staff

A. B. Yates,
Chief

L. G. MacQuarrie/bm/H



Canadian National Railways

D. F. Purves
Assistant Vice President
Research and Development

P. O. Box 8100,
Montreal, Quebec,
26 June, 1964.

877-4447

Mr. R. A. J. Phillips,
Director,
Northern Administration Branch,
Department of Northern Affairs
and National Resources,
150 Kent Street,
Ottawa, Ontario.

NORTHERN ADMIN. BRANCH	
OTTAWA, ONT.	
JUN 29 1964	
No.	7384
FILE	355-1-1
REFER TO	K3

Dear Mr. Phillips:

Thank you for your letter of June 22 enclosing a copy of minutes of a meeting held in Mr. Yates' office on June 18 concerning a review which Crest Exploration Limited is interested in making of land transportation data shown in the Bechtel Report dealing with the movement of iron ore concentrates or pellets from Snake River to tidewater.

Further to telephone conversations yesterday with Mr. L. G. MacQuarrie and Mr. C. T. W. Hyslop, my comments respecting these minutes are:

page 1, para. 4 - I think the third sentence should indicate that the figure quoted of \$540,000 per mile refers to the railway equipped (i.e. rail line, rolling stock including power, shops, etc.);

para. 7 - I would prefer that this paragraph in the minutes be deleted. I think you will understand the reason;

page 2, para. 1 - my memory of the sense of Mr. Charles' conclusion was that for an out-of-pocket cash expense of \$50,000 plus use of a helicopter full time, etc., it would be possible to make an assessment of the figure shown in the Bechtel Report which would indicate whether a detailed location survey might reasonably be expected to produce an appreciably lower capital cost estimate than that given in the Bechtel Report;

para. 2 - further, my memory is that Crest Exploration will write to the Department, not to the CNR.

Yours very truly,

355-1-1

PA file.
22-6-64
R.D.

CONFIDENTIAL

sent 22/6
M.R.

Ottawa 4, June 24, 1964.

J.R. Baldwin, Esq.,
Deputy Minister of Transport,
OTTAWA, Ontario.

Dear Mr. Baldwin,

Crest Exploration Limited
Railway Study

Further to our conversation of June 17, I attach a copy of the minutes of the meeting which was held on June 18 concerning the above study.

So that your Department may be kept fully in the picture, it would be greatly appreciated if you could nominate a member of your staff to sit in on future meetings and discussions. He should contact Mr. A.B. Yates, Chief, Engineering Division, Northern Administration Branch of this Department.

Yours sincerely,

"E.A. Côté"

E.A. Côté,
Deputy Minister.

L.G. MacQuarrie/rd

P.A.A.
27-6-64
RD

sent 22/6
M.R.

CONFIDENTIAL

Ottawa 4, June 22, 1964.

H.G. Nicholson, Esq.,
President,
Crest Exploration Limited,
Medical Arts Building,
329A 6th Avenue S.W.,
CALGARY, Alberta.

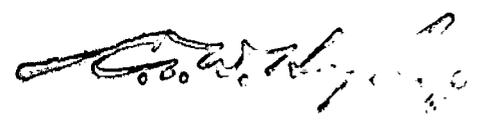
Dear Mr. Nicholson,

Crest Exploration Limited
Railway Study

Attached is a copy of the minutes of the meeting which was held in Mr. Yates' office on June 18th concerning the above study.

Any comments you may wish to make on the contents of the minutes would be appreciated.

Yours sincerely,



R.A.J. Phillips,
Director.

L.G. MacQuarrie/rd

Re.

355-1-1

PA file.
22-6-64
RO

CONFIDENTIAL

sent 22/6
M.R.
Ottawa 4, June 22, 1964.

B.F. Purves, Esq.,
Vice-President, Research and Development,
Canadian National Railways,
C.N. Headquarters Building,
Montreal, Quebec.

Dear Mr. Purves,

Crest Exploration Limited
Railway Study

Attached is a copy of the minutes of the meeting which was held
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Any comments you may wish to make on the contents of the minutes
would be appreciated.

Yours sincerely,


R.A.J. Phillips,
Director.

~~XXXXXX~~
L.G. MacQuarrie/rd



PA filed
22-6-64
R.D.

355-1-1

CONFIDENTIAL

sent 22/6 M.R.
Ottawa 4, June 22, 1964.

ASSISTANT DEPUTY MINISTER

Grest Exploration Limited
Railway Study

Attached are copies of the minutes of the meeting which was held in Mr. Yates' office on June 18th.

You may wish to pass this information on to Mr. Côté and the Minister. Any comments you may wish to make on the contents of the minutes would be appreciated.

L.G. MacQuarrie/rd

Director.

rd



CREST EXPLORATION LIMITED

MEDICAL ARTS BUILDING, 329A - 6TH AVENUE S.W.

CALGARY, ALBERTA.

June 19, 1964.

Document disclosed under the Access to Information Act
Document divulgué en vertu de la Loi sur l'accès à l'information

PA 1/2
June 24-64

ROBERTO A. LAING DRAGAGE
OTTAWA, ONT.
JUN 23 1964
355-1-1



The Honourable Arthur Laing,
Minister of Northern Affairs
and National Resources,
Langevin Block,
Metcalf and Wellington Streets,
Ottawa, Canada.

Dear Mr. Laing:

A meeting was held in Ottawa on June 18, 1964, attended by representatives of your Department, the Canadian National Railway and Crest Exploration Limited. At that meeting, Crest Exploration Limited agreed to contribute the following to the conduct of a reconnaissance survey leading to the preparation of an estimate of the cost of constructing and operating a railway from the sea coast to Crest's Snake River iron deposit:

1. Use without charge of a Bell G-2 helicopter for an estimated period of twenty-one days, this helicopter to be at the disposal of Major Charles during his survey.
2. Assignment without charge of a civil engineer with experience in the area.
3. Use without charge of Crest's camp facilities at Snake River.
4. Deposit without charge of suitable caches of gasoline to service the helicopter at the direction of Major Charles and during his survey.
5. In addition to the above, a cash contribution of 50% of the out-of-pocket expenditures, not to exceed \$25,000., required to conduct the survey and prepare the estimate.

It is our understanding that Major Charles will be employed by the Canadian National Railway, and will have the services of certain of its technical personnel. Major Charles, under contract to the Canadian National Railway, will send his completed report to you with a copy being made available to Crest. The Canadian National Railway will have its solicitors prepare a suitable formal document covering this agreement.

Yours sincerely,

H. G. Nicholson
H. G. NICHOLSON
President

*filed
Cm.*



ACTION REQUEST FICHE DE SERVICE

TO — À

M. Katz

DATE

LOCATION — EN DROIT

FROM — DE

A. D. H.

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FAIRE.....COPIES | <input type="checkbox"/> TRANSLATION
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NOTER ET RETOURNER/OU FAIRE SUIVRE | <input type="checkbox"/> |

*Apoc Ministes office ~~is~~ may
not be appropriate at this stage. Suggested
because Mr Austin shows a very active
interest in subject & unless kept in picture
may initiate his own meetings etc.*

D.
000250



CANADA

OUR FILE NO. 999-315
YOUR FILE NO.

DEPARTMENT OF NORTHERN AFFAIRS AND NATIONAL RESOURCES

NORTHERN ADMINISTRATION BRANCH

RESOURCES DIVISION

CHIEF, ENGINEERING DIVISION

Ottawa, 10 June, 1964.

[Handwritten signature and initials]

Crest Exploration Limited,
Railway Study

Yesterday I handed you one copy of a report on the Snake River iron ore deposits prepared for Crest Exploration Limited by Canadian Bechtel Limited, dated January, 1963.

We have been requested to initiate a cost and engineering study for a railway from the Snake River deposits to Tidewater. You have contacted the CNR for the purpose of determining whether that corporation could undertake such a study. The Bechtel report may be made available to CNR personnel so that they may become familiar with the background and the problems involved. Only those immediately concerned should be allowed access to this report since it is still regarded by Crest as extremely confidential. Mr. Nicholson, President of Crest, authorized me by telephone yesterday to permit the Bechtel report to be delivered to CNR. This particular copy is on loan only and must be returned to our files when no longer required.

We agreed that as soon as CNR have determined whether they can undertake a study this year and have formulated some views with respect to how this might be carried out, we will arrange a meeting between representatives of Crest, CNR, ourselves, and the Minister's office, in order to arrive at specific agreement. We will then prepare the material necessary to obtain Treasury Board approval for the expenditures involved.

[Handwritten signature: A.D. Hunt (LI)]

[Handwritten signature: A.D. Hunt]
A.D. Hunt,
Acting Chief.

[Handwritten note: Why the Minister's Office?]

[Handwritten note: AHU 10/6]

BF
24-6
ABY
sent
9-6
DW
355-1-1
9 June, 1964.

Mr. D.F. Purvis,
Vice-President, Research and Development,
Canadian National Railways,
Canadian National Headquarters Building,
Montreal, Quebec.

REGAL
.....24/6/1964
Noted 175
CT

Dear Mr. Purvis,

Following our telephone call yesterday I enclose a copy of the Canadian Bechtel report on the Crest Exploration property. I would be glad if you could let me have this report back when you have finished with it as it is the only copy I have and I would also be glad if you could restrict the information contained in it to those who need to know it for your purposes.

After you have had a chance to make a preliminary evaluation of the possibilities of carrying out the railway survey this summer, I would be glad if you could give me a call so that we might arrange a meeting between yourself, Mr. Nicholson of Crest Exploration and the responsible departmental officers to decide on the terms of reference for the survey team.

Our Minister is anxious to have the survey go ahead as soon as possible and I would, therefore, be grateful if we could arrange a meeting at an early date. My telephone number here is either 992-6080 or 992-3126.

Yours sincerely,

A B Yates/dw/d

A.B. Yates,
Chief.



CANADA

Department
of Northern Affairs
and National Resources Deputy Minister

Ministère
du Nord canadien et
des Ressources nationales Sous-ministre

355-7-1
PA filed.
action taken via letter
to Mrs Purvis
CNR Montreal

Mr. Phillips

Ottawa, June 8, 1964.

our file / notre dossier 40-3-52
your file / votre dossier

Des
9-6
but

On May 27th I sent to you a copy of Mr. Gibson's memorandum regarding investigation of a rail route from the Crest iron deposit.

-- I am now enclosing a further memorandum from Mr. Austin on this same subject.

You will note the very high priority placed on this matter by the Minister. I spoke to you by telephone and I understand that you will make sure that this subject comes to Mr. Hyslop's attention for immediate action tomorrow morning.

J.H. Gordon
J.H. Gordon,
Assistant Deputy Minister.

c.c. Dr. Jenness
Gordon/IdeV

OTTAWA: June 8th 1964

Memorandum to Mr. Gordon

Re: Crest Exploration Limited and Snake River Deposit

... In addition to the enclosed letter of June 2nd 1964 from Crest Exploration Ltd. and the interim reply of the Minister dated June 8th 1964, I have had a telephone conversation with Mr. Nicholson, the President of Crest, in which he has advised me that his Company is prepared to go ahead with these two provisions.

In the first place they would like the study done by the Canadian National Railway or some other railway, rather than by a firm of private consultants.

Secondly the study must be done this summer while they still have a base camp and an exploration team present at Snake River.

The Minister wishes to have the most expeditious handling of this matter to the end that this study is made in 1964. Mr. Nicholson is prepared to have his Company officials in Ottawa immediately upon request.

It is in order to have the Canadian National Railway approached at the appropriate level and for other necessary steps to be taken. I cannot emphasize too strongly the urgency which is attached to this matter.

J. Austin
Special Assistant.

CREST EXPLORATION LIMITED

MEDICAL ARTS BUILDING, 329A - 6TH AVENUE S.W.

CALGARY, ALBERTA.

June 2, 1964.

The Honourable Arthur Laing,
Minister of Northern Affairs
and National Resources,
Langevain Block,
Metcalfe and Wellington Streets,
Ottawa, Canada.

Dear Mr. Laing:

Thank you for your letter of May 13. Crest Exploration Limited is prepared to participate with your Department, subject to Treasury Board approval, up to a maximum of \$25,000. for each party, in a joint study of the cost of constructing and operating a railway from tidewater to Crest's Snake River iron deposit.

You have suggested that we employ consultants to conduct this study, in the interest of securing a reconciliation of viewpoint and a check on our present cost data. We concur with this completely.

As to the choice of consultants, it appears to us that you would find the expenditure of Government funds through your Department most rewarding if the consulting agency were a body whose findings were considered authoritative by the Government. From Crest's viewpoint, we feel that, because of the multitude of interests in the Yukon which might be affected, and because of our present marketing problems, the construction of a railway probably requires the direct or indirect sponsorship of the Government. Accordingly, we believe that the usefulness of a new railway estimate would be greatly enhanced if it would contribute to the Government's ultimate sponsorship of such a railway.

For this reason, we are hopeful that you can persuade the Canadian National Railway to make this survey with its own technical personnel and submit a report to your Department to which we would have access. Failing this, we would prefer to have the C.N.R. or some equally competent Government agency undertake to direct and supervise such a survey and cost estimate, with the objective of securing a report which the Canadian Government would accept as authoritative.

These comments are not intended in any way to establish conditions precedent to our participation in the joint study. I agree that we should proceed immediately, subject to your requirements, to arrange for the conduct of the work this summer. I would appreciate

your giving me your feeling as to the proper manner of appointing the chosen agent. In the matter of the terms of reference under which the study should be carried on, we have some ideas of a suggested program.

I would be most appreciative if you could let me know whether it would serve any purpose for me to come to Ottawa to settle the matter of the chosen consultant and the extent of the survey to be conducted.

Sincerely,

H. G. NICHOLSON
President

For Mr. Gordon

Ottawa: June 8th, 1964

Mr. H.G. Nicholson,
President,
Crest Exploration Limited,
Medical Arts Building,
323A - 6th Avenue S.W.
CALGARY, Alberta.

Dear Mr. Nicholson:

I appreciated having your letter of June 2nd, 1964 and its advice that your Company is prepared to go ahead with a joint study of the cost of railway development from the Snake River iron deposit, to Tidewater.

I am asking my Departmental officials to deal with this matter on a most expeditious basis, and specific submissions for your consideration should be ready almost immediately. I concur in the desirability of having the Canadian National Railway undertake the work if this is possible, and I should be able to advise you shortly.

I have no doubt that a meeting is necessary in the near future between your people and our own, and almost immediately thereafter with the Railway officials. Suggestions will be made at the earliest possible time.

Yours sincerely,

Arthur Laing.

Copies: H. Gordon
Dr. Jenness.

Mr. Phillips

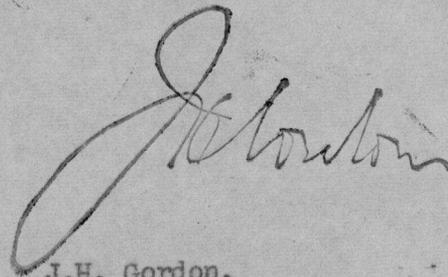
Ottawa, June 8, 1964.

40-3-52

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J.H. Gordon,
Assistant Deputy Minister.

c.c. Dr. Jenness

Gordon/ldeV