-THE PLATINUM HILL MINE-

HISTORY

In 1849 gold was first discovered in Oregon, at Althouse Creek, and in 1853, a few miles from there , on Bear Camp Ridge, a high channel was locatedand water was brought in from the Illinois River by an eleven mile ditch, and the hard cement gravel was played with strong currents of water, with the result that a goog many acres of Bear Camp Ridge was swept clear of all over burden. The bedrock was believed to be a hematite dyke and nobody paid any attention to it until, in 1931 , it was located by Ole Hagberg and Andrew Johnson.

LOCATION

These properties 6 claims are located in section 33 and 34,Tshp.,40 S, Range 8 W., of the Willamette Meridian, Josephine County, State of Oregon about 3 miles from the California boundary line; One mile from the town of Takilma, about 31 miles from Crescent City, (the nearest shipping point by water) , and 25 miles from the end of rails on the California & Oregon Cost Railway. This railroad, at present, is under consideration by the Federal government to be extended to Crescent City. If this road is built according to present survey the distance to rails will be about four miles. A good road connects the mine with the old Crescent City-Grants Pass highway, just one mile distant.

ORE BODIES.

The ore body consists of altered serpentine impregnated with iron oxide and has been, in several places, throughly exposed by removal of ALL OVERBURDEN through above mentioned placer operations. One of the exposed parts is about 200 feet wide and over 1000 feet long . There is one outcropping about 300 feet below the highest outcrop,lengthwise of the claim. A cut was made through part of the ore in order to make a ditch through which to remove the tailings . Here a face shows up 30 feet high and 75 feet long. From this point down hill there is enough fall to insure one ore body of several million tons, so all the sampling I have done has been confined to this ore body alone. Two samples of 50 pounds each, roasted and amalgamated gave Mr. Hagberg a value of , respectively, $17.00 and $22.00 per ton, gold at $20.67.

Some assays was made in August 1931 giving the following results: Au 1.2 oz., 0.5 oz., 0.4 oz. and 0.1 oz. (average 0.55 oz) Pt. 0.95 oz. 2.4 oz.,1.3 oz., and 1.25 pz.(average 1.47 oz.) which checks closely with my average of 1.4 for platinum, but my gold on the same showed only $5.80. That, however, is enough to insure a fair profit.

On December 21 st, 1933 I took several grab samples , picked from the ground for a width of about 200 feet, and a length of about 800 feet and assays by Chas Lull showed gold content of 0.05 oz., or $1.70 in gold and 0.750 oz . or $ 28.50 in Platinum, at $38.00 per oz. I also took one sample from the face of the cut on the upper part of the claims. This sample was taken by cutting two channel samples about 6 feet apart for a length of about 35 feet, total sample aggregating about 100 pounds. This same gave Au. 0.03, and Pt. 0.6 pz. One sample from the same place , sent to Miller and Kirk of San Francisco, is said to have given — Au. $9.40 and Pt. $40.00

Later I made a leaching test and out of four pound of ore extracted 135 mg. of bullion and separated as follows;
Gold 13.3 mg. 0.206 oz. $7.10 per ton of ore.
Pt. 112 .3 mg., 1.71 oz, $64.98

Insouluble in Aqua Regia 9.4 mg. or 9.14 oz. mostly Iridium
Tailings 5 mg. showing a recovery of 96.23%

WATER

There are water enough in Allen Gulch for small operation For large operations water would have to be flumed or pumped a short distance from Illinois River.

RECOMMENDATIONS.

I recomend driving a tunnel at a suitable place, from Allen Gulch side tapping the ore body so that all mining for many years to come can be done by gravity system, Then to put in a clorination plant as a pilot plant. This plant is for 100 ton daily capacity can be installed for a cost of not over $20,000.00 and at least $5000.00 should be available for working capital. The cost of operating a 100 ton plant will not exeed $2.00 per ton including mining and will give an ample profit for all further expansion.

Seattle 532 East Lake May 20 th, 1934.

K.R. Paykull

ESTIMATED COST OF A 200 TON CAPACITY PLANT AT PLATINUM HILL:

DIESEL ENGINE	$2,000.00
Crushers and Rollers,	1,050.00
Installation	200.00
Road, Repair work,	100.00
Pump, Engine and Pipes,	250.00
2- 200 TON TANKS,	800.00
3- Filter Tanks,	400.00
1- Precipitating Tank,	300.00
2- Bunkers,	650.00
Laboratory	600.00
Vacuum PUMP	200.00
LEAD Pipes and lead	300.00
Buildings,	2,000.00
	$8,850.00

MINE EXPENSE

Camp Outfit,	250.00
Truck and Freight account,	500.00
4- MINE-CARS,	500.00
Blacksmith Outfit and Tools,	700.00
Supplies, Rails, Powder, Timber and Steel,	800.00
Rent of Aircompressor, per month,	250.00
	$3,000.00

RUNNING EXPENSES

6000 Tons of ore @ $2.00, ... $12,000.00

MONTHLY INCOME

First month when the Plant and men are being broken in, we will only figure to complete the plant and break even.

Second month, 6000 tons of ore @ $25.00 per ton, ... $150,000.00

RUNNING EXPENSES}	$12,000.00	
ROYALTY, ...	22,500.00	
Buildings and improvements, necessary,	25,000.00	
	$59,500.00	..... 59,500.00
Leaving a net profit of		$90,500.00