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...dge Nickel ...d quarter

...most double the volume in the same three months of 1978.

Due to long-term contract pricing formulas and commitments made prior to the price increase announcements, the effect of the recent posted price increases will only become fully apparent in later quarters of the current year, explains Mr. Cooper.

Falconbridge Copper's earnings contribution of $4,115,000 is $3,644,000 more than in the corresponding period of 1978. Increased revenues from higher copper, zinc, gold and silver selling prices and an increase in zinc production partially offset by lower copper production and higher operating costs, account for the improvement.

Sales of Falconbridge Dominicana, C. por A.'s ferronickel of 10,590,000 lb. were 4,671,000 lb. (79%) higher than in the first quarter of 1978. The increased volume was, however, offset by a lower average net selling price and higher unit cost. Consequently the loss of $988,000 is only slightly lower than that for the same period of last year.

Increased contributions to 1979 consolidated earnings by Oamites Mining Co. and Wesfrob Mines reflect the higher selling prices of copper.

Consolidated working capital increased by $24,710,000 in the first quarter to $279,494,000 at March 31, 1979.

...rns from uranium ...kel and Pinto gold

...Mines which is 50%-60% owned by Marbenour with most of the remaining shares held by himself and Mr. Hirshhorn. The property adjoins that of Camflo Mines to the east. Black Cliff Mines, which to the northwest, has a 280 ft. shaft and drill- indicated reserves of some 660,000 tons averaging 0.28 oz. gold per ton. Mr. Kay said that talks have been held with Black Cliff regarding some sort of joint venture.

When asked if any work would be done on the Pinto ground this year, he paused for a while, then said, "yes, the time seems right ... I'm going to push ahead."

Mr. Kay again alluded to the necessity of combining some of the many — often small — Hirshhorn holdings in Canada. He noted that expenses are constantly rising and that he could save perhaps $50,000-$80,000 a year by merging some companies and doing away with the duplication of administrative and ...

Scottie Gold is looking to production 1980

VANCOUVER — Shareholders of Scottie Gold Mines approved conversion of the company to a limited from a specially limited company. They also approved a change in authorized capital from 3,000,000 $1 par value shares to 3,000,000 Class A and 605,000 Class B shares with no par value. **Northair Mines** has an option to buy shares of Scottie and a right of first refusal to provide financing for the Scottie claims.

Donald A. McLeod, president of the two companies, reports that Northair will be the manager of a program this summer aimed at production in 1980 from the Scottie property near Stewart, B.C.

The program, slated to begin in June at an estimated cost of $742,000, will include raising and subdrifting on three ore blocks as well as 3,000 ft. of short hole diamond drilling for raise and subdrift advance.

No work has been done on the Scottie property since the late 1940s. The previous owner estimated ore reserves at 118,800 tons averaging 0.93 oz. gold per ton. About 5,000 ft. of underground development and over 20,000 ft. of diamond drilling have been done. There are adits at the 3,000-ft. and 3,600-ft. levels.

Mr. McLeod told the shareholders that a 125 to 150 tons per day mill will be in place 35 miles from the property in 1980 with production scheduled to begin in July of that year. The mine will operate only six months a year due to heavy snow conditions, but the mill will operate year round. The estimated capital cost of the project is $3½ to $4 million, he said.

Bethlehem quarter net soars Talks resume on Lake Zone work

VANCOUVER — Net earnings of Bethlehem Copper for the first qurter of 1979 soared to $2,780,000, or 44¢ a share, from $376,000, or 6¢ a share, for the corresponding period of 1978.

Byran J. Reynolds, president, reports that discussions with respect to the Lake Zone development have resumed, although no decisions have been reached. The company owns 5.1% interest in **Valley Copper**, which is 81% owned by **Cominco**. Bethlehem also has a 20% direct interest in the huge Lake Zone co... deposit, which straddles the V... Copper-Bethlehem border. To... Bethlehem and Valley Copper... not been able to get together... mutually acceptable basis fo... development of the Lake Zone...

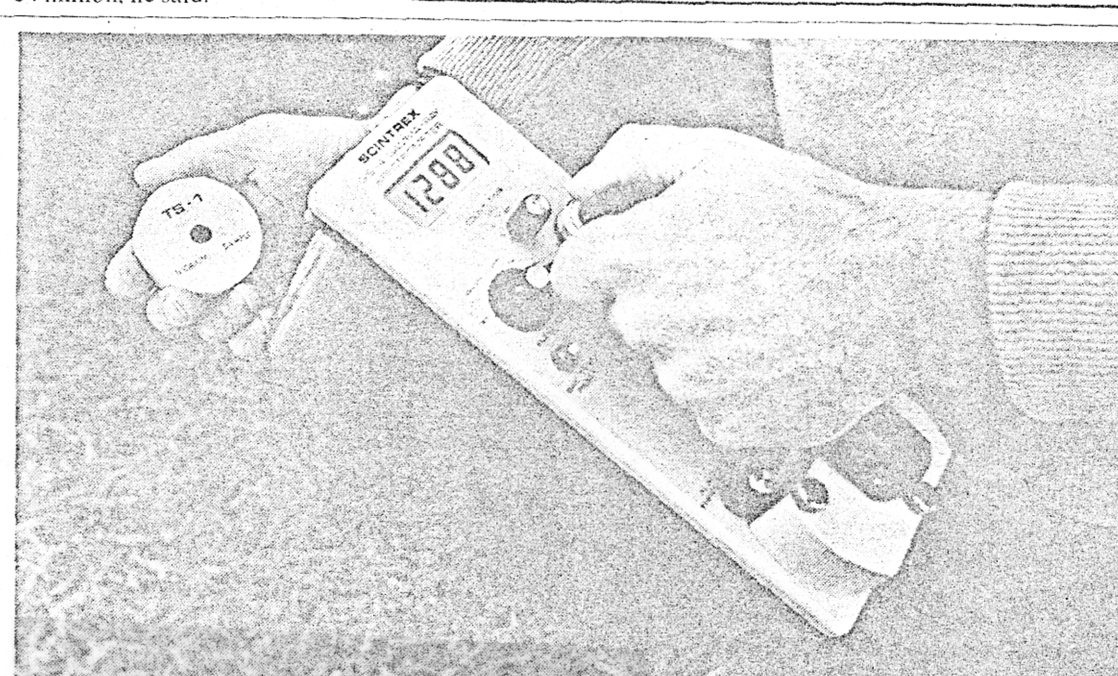
As was the case last year, d... part of the first quarter produ... was reduced because of ad... winter weather conditions. ... problems have now, to a substa... degree, been rectified.

Mr. Reynolds notes that the ... age price received for copper d... the first quarter was $1.027 ... compared with 62.37¢ a lb. i... same period last year. Whil... general upward trend in co... prices is expected to continu... year and next, some softening ... pected during the remainder ... second quarter.

Jamex gets funds from Mexican deal

Jamex Explorations' 49% owned Mexican affiliate, Exploraciones Sierra Madre, has sold a copper prospect in Mexico to an affiliate of **Noranda Mines** for $150,000 (U.S.) under a 1972 option agreement. It is contemplated that the money will be used to fund an exploration program in Mexico, says Jamex Vice-President W. W. Cummins.

Jamex and **Denison Mines** have recently commenced work on Denison's exploration licences in Ireland.



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