

CHANDALAR RESOURCES LIMITED

Dec 1976

<u>YEAR TO 31 JULY</u>	1976	1975
Cold Storage & Rentals Revenue	\$67,201	\$34,974
Ice Sales	15,225	21,641
Food Sales, Net	<u>(1,898)</u>	<u>19,284</u>
Total Revenue	80,528	75,899
Wages, Employee Benefits	27,275	25,873
Other Operating Expenses	36,825	30,107
Depreciation	11,928	13,417
General, Administrative Expense	<u>18,402</u>	<u>16,300</u>
NET LOSS	\$13,902	\$ 9,798
Working Capital (Deficit)	(\$24,674)	\$ 3,535
Shares Outstanding	852,374	852,374

The annual meeting of Chandalar Resources Limited has been called for 20 Dec 76 at 11 a.m. at 601-890 W. Pender St., Vancouver. Nominees for election as directors are now serving: Maurice Mur tack, president, owning 161,696 shares; Boris Berezowsky, 16,325; Ken Daughtry, 5,000 and Douglas Sundby 41,240. Besides Mr. Mur tack, a major shareholder is Rob't. W. Porter with 150,000 shares.

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In his annual report, Mr. Mur tack briefly reviews Chandalar's mining, real estate and

cold storage activities. Concerning the firm's Golden Queen claims at Rossland, B.C., he says negotiations continue with adjacent property owners for joint exploration, results from work on the various properties having indicated an excellent possibility of outlining a major ore-body at depth. A major company have indicated they will participate with Chandalar when agreement with other owners is reached.

Development continues on the St. Andrews 150-homesite project in the south Okanagan, B.C. Underground services for the first 40 homesites have been installed, main roads, a show home, and a tennis court have been built and a water system has been installed, etc. Shareholders, including directors, subscribed for 35 homesites to provide \$437,500, for development and to reduce the \$450,000 mortgage by \$210,000. Mr. Mur tack expects this project to generate profits in 1977.

About wholly-owned Inland Ice & Cold Storage Ltd., Mr. Mur tack notes that cold storage revenue doubled during the past year, but, due to an unusually cool summer, ice revenue was down. He notes that Hydro rates have doubled, insurance rates are up 50%. With rising costs in all areas, it is difficult to operate at a profit. He says management are negotiating a net lease arrangement for the plant. Legal proceedings to recover a property leased to Bulman's Ltd. have been started.

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