

Chutine Resources VSE-CHS

Nick Segarich, President of Vancouver's Chutine Resources has announced that a total of 3,500 tons of ore have been shipped from its Salmo, B.C. Arlington Gold Mine to the nearby mill of David Minerals. Underground equipment is being put in place and ore will be stockpiled until the current restrictions on road hauling are lifted. A diamond drilling, trenching and geochem testing program will take place on a late '82 gold anomaly discovery. Segarich also reports that a cost breakdown based on David Minerals' contract shows that Chutine can gain a net \$3,725,000 from the recovery of the presently known 200,000 tons of ore reserves.

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MAR/APR 1983

82F/3W
(082FSW205)

NMTR 22 SEP 1983

Chutine Resources says that soil geochemistry has outlined an anomalous zone 300 m east of its ~~Arlington gold mine~~ near Salmo, B.C. with good lead values. Quartz-galena float has also been found through trenching in the area and the company points out that gold values there historically have been associated with lead. Additional soil geochem is planned on the anomaly to be followed by trenching and diamond drilling. The company notes that warrants exercised in August netted \$216,000 for its treasury.

82F/3W
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Chutine has an agreement with David Minerals to process any material mined from the operation at David's Salmo mill. Results for a 1,000-ton sample showed recoveries were 81% for gold. Part of the agreement with David involves rehabilitation by that company of a major portion of four miles of underground workings at the mine.

Chutine is also involved in a joint venture with Westfield Minerals, part of the Northgate group, in the Deer Lake silver project, 60 miles northeast of Corner Brook, Nfld.

GCAL #217 12 NOV 1985

CHUTINE RESOURCES LTD. (CHS-V)

MAJOR COMPANY DRILLED 5 FEET - Chutine Resources Ltd. president John H. Oliver reports being advised that Ryan GRADING 0.18 OZ.GOLD/T & QUIT Exploration Co., a division of U.S. Borax, has terminated a July, 1985 agreement whereby Ryan could have earned an interest in Chutine's Salmo, B.C. gold property. Ryan's work has been useful to Chutine in that their diamond drill hole A-3 intersected 5 feet of significant values averaging 0.18 oz.gold per ton from a depth of 40 to 45 feet in the holes.

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SHALMAR RESOURCES LIMITED

PROGRESS AT GOLD PROPERTY - NEAR SALMO SUMMARIZED

F. Michael P. Warren, director, reports that Shalmar Resources Limited recently completed 1228 feet of BC wireline diamond drilling in 5 widely spaced vertical drill holes on the Rest Creek gold property near Salmo, B.C. The best intersection was 7.1 feet, from 74.5 to 81.6 feet deep in the hole averaging 0.11 ounce gold per ton in hole R75-2. Other intersections in strong quartz veining varying from a few inches to 10 feet yielded only very low gold values. A second vein zone was intersected approximately 40 feet below the flattish vein partially mined in the past, and from which 75,000 tons averaging 0.6 ounce gold per ton were mined and shipped. An additional 75,000 tons averaging about 0.1 ounce gold per ton occur on dumps and in stope backfill. In the opinion of C.M. Armstrong, P. Eng., consulting engineer, the wide, 400-foot spacing of the drill holes does not preclude the possibility of the occurrence of other similar ore pods.

The 800 foot by 600 foot lead-gold soil anomaly centered at 10N/4W pinpointed the flat-lying No.1 zone and the new No.2 zone under a thin mantle of overburden. The lead-gold soil anomaly at 8S/15E, some 2500 feet to the southeast, has similar dimensions, but was not tested because of deteriorating winter weather conditions and the problem of locating an alternative water supply.

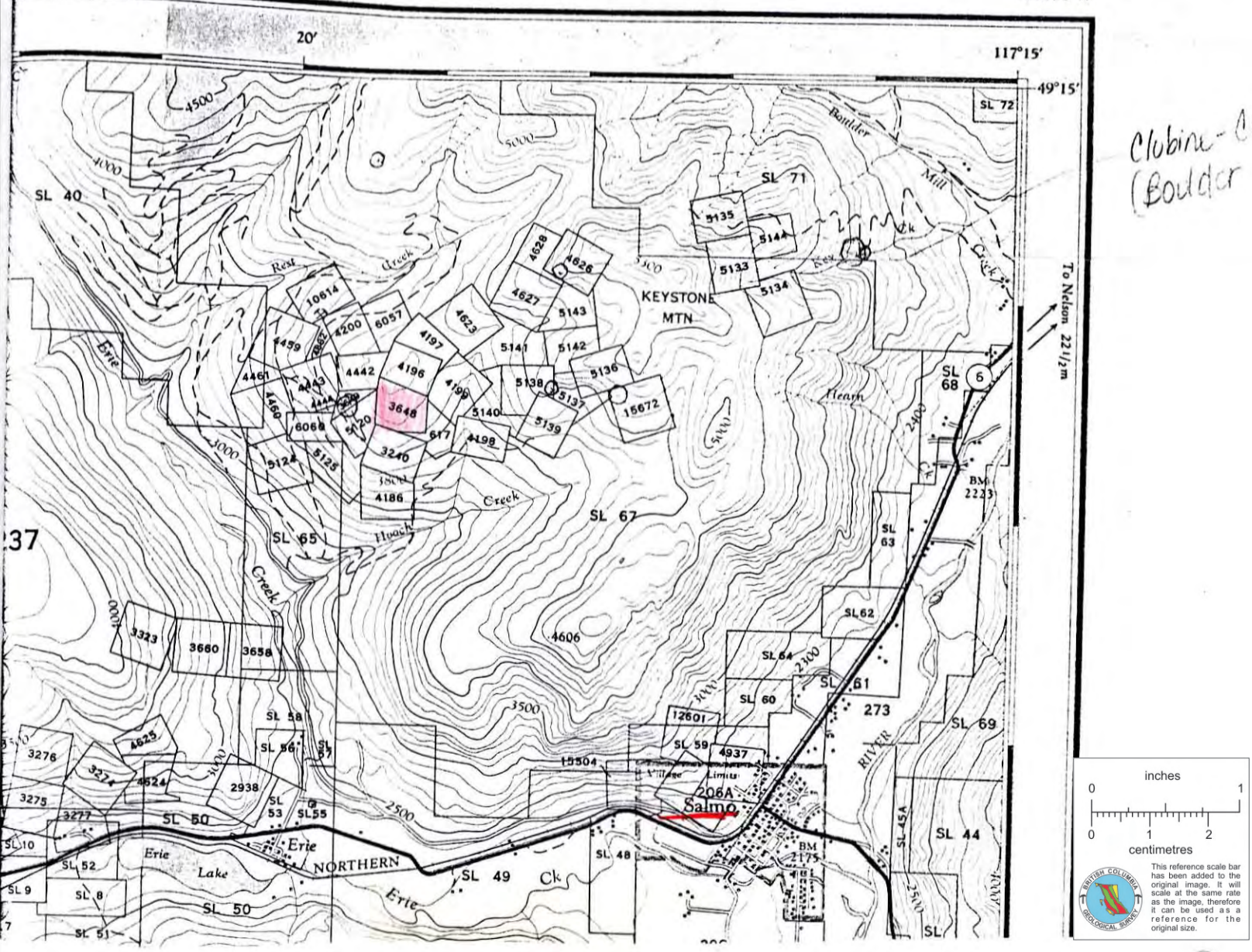
The relatively small dimensions of individual ore shoots, which contain from a few thousand to 25,000 tons, dictate that much closer grid drilling is required to locate the shoots. Because the shallow depth might permit low cost open pitting of some ore pods, Mr. Armstrong recommends that the anomalous areas be grid drilled on 200-foot centers employing a truck-mounted drill. With encouraging results, 6000 feet of drilling is indicated, at a total cost in the order of \$100,000.

Because of the proven applicability of soil sampling in locating overburden-covered gold mineralization in the area, Mr. Armstrong also recommends that preliminary exploration of the recently staked 72-unit claim group be undertaken. Also, a 900-foot wide zone of anomalous soil values several thousand feet to the east warrants further detailing. All inclusive cost for 25 miles of line at 1600 foot spacings and 100 foot soil sample intervals is estimated to be \$20,000.

Shalmar is acquiring the property indirectly through acquisition of Rest Creek Gold Mines Ltd. for 600,000 shares that are subject to release from escrow according to a formula related to production and for assumption of Rest Creek's various obligations. Rest Creek's chief obligation is to Erie Mines Ltd. pursuant to a 29Nov74 agreement providing for sale of the property to Rest Creek for payment of \$300,000 by 31Jan82.

EDITION 2

82F/3W



The former Erie/Arlington Mine produced over 75,000 tons of ore averaging more than 0.6 ounce of gold per ton and another 75,000 tons of dump and backfill material presently upon the property averages in the order of 0.1 oz. gold per ton. Mr. Armstrong considers that diamond drilling to test for repetitions of ore with depth is necessary. *Shalmar Resources Ltd. GCNL #1107 Oct 31st, 75*

The soil anomalies are NW and SE of the mine workings, and are stratigraphically below the deposit mined in the past. An additional 4 claims totalling 72 units were staked recently to augment the 25 Crown-granted claims.

Cost of the program is estimated at \$32,000 and diamond drilling is expected to commence by Oct. 31/75.

SHALMAR RESOURCES LIMITED

DRILLING STARTS ON - Shalmar Resources Limited report that tenders have been called on a minimum 1600 feet of diamond drilling for their Rest Creek gold property near Salmo, B.C. The report says 23 miles of line with soil sampling and VLF-EM surveying defined two large, overburden-covered gold-lead soil anomalies which C.M. Armstrong, P. Eng., believes could reflect gold-bearing bedrock mineralization potentially exploitable by open pit techniques.

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FOR THE RECORD

Federal Industries Ltd. plan to offer \$9.50 a share for all the shares of White Pass & Yukon Corp., Ltd. that they do not already own. The offer is conditional on the deposit within 35 days of at least 90% of the 941,516 shares not now owned by Federal, however, Federal retains the right to waive the condition. The cash offer is expected to be mailed shortly after the postal strike ends. If totally successful, the Federal offer would involve an outlay of \$8,900,000. Federal currently own 50.2% of the White Pass outstanding shares.

Great National Land & Investment Corp. Ltd. will pay the regular semi-annual dividend of 1¢ plus an extra dividend of 1¢ per Class A and Class B common share on 15 Nov 75, record 1 Nov 75.

United Cardigan Development Ltd.'s rights offering of 608,559 shares at 10¢ per share has been fully subscribed and the shares have been issued. Transfer agent is National Trust Co. at 510 Burrard St., Vancouver, B.C. V6C 2J7.

+ NO. 209 (OCTOBER 31, 1975) + GEORGE CROSS NEWS LETTER LTD. + TWENTY-EIGHTH YEAR OF PUBLICATION +

ARLINGTON SILVER MINES LTD.

REACTIVATION AND SHARE - The annual meeting of Arlington Silver Mines Ltd. will be held on
CONSOLIDATION PLANNED Oct. 31/79 at 11 a.m. at 1710-1177 W. Hastings St., Vancouver.

Nominees for election as director are now serving: Bertram I. Nesbitt, president, owning 225,650 shares; Rosina Nesbitt, secretary, 20,000; David St. John, nil shs; Gordon Hunter, 35,000 and Albert Badham, 1,500.

Mr. Nesbitt reports that it is planned to reactivate the company and, to this end, regulatory authorities' approval will now be sought for a 5-old for 1-new consolidation so that the 3,899,605 shares now outstanding would become 779,921 of the 5,000,000 to be authorized and for a change of name to Western Arlington Resources Ltd., all of that having been resolved at the last annual meeting. A share listing on a Vancouver Exchange will be sought.

Arlington's chief assets consist of interests in oil and gas properties, the old Arlington silver/lead/zinc mine in SE B.C. and royalty rights on a copper prospect owned by Valley Copper Mines which is located adjacent to and on the trend of Valley's 800,000,000 ton copper/molybdenum ore body in the Highland Valley, B.C.

GCNL #197
12-10-79
Mr. Nesbitt notes that the Arlington Silver Mine is reported to have produced over 1,000,000 ounces of silver to date from only about 1500 feet of stope length. Arlington owns about a 2-mile length of the lode, thus, much remains to be explored. Currently, the company receives a royalty of 15% of the net smelter returns from production achieved by a small private company to whom the mine has been leased for the year 1979. Mr. Nesbitt proposes that at the end of this year Arlington take over the production and explore the property further.

At the Sunrise gas field in NE B.C., Arlington have 25% working interest in one block of 1280 acres on which there is one completed successful gas well, 12.5% carried interest in another block exceeding 7,000 acres on which there is one producing gas well and several shut-in gas wells and 12.5% interest in a compression unit, treatment plant and gathering and transmission lines. The properties were farmed out in late September to an apparently well-financed company who are expected to rework existing wells and drill new ones.

Participation in new ventures is being considered.

Arlington report a working capital deficit of \$9,449 as at 30Apr79.

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Chutine Resources is taking a serious look at its Eric-Arlington gold property near Salmo, B.C., The Northern Miner gathers and it is attempting to raise \$160,000 through a units offering to explore the property. Chutine holds approximately 20 Crown-granted mineral claims on the prospect which is located 4.5 miles northeast of the town.

The property has a checkered history and mine records indicate a production output of 24,500 tons of ore which yielded 47,800 oz. gold and 113,000 oz. silver plus some lead and zinc from 1900-54. There is also approximately 125,000 tons of dump material from which samples assayed between 0.088 oz. gold and 1.56 oz.

With the financing Chutine expects to conduct a program of detailed mapping and sampling of underground workings which ultimately will be followed by diamond drilling to prove up more ore. A serious look is also being taken at dump material which would be an ideal means of financing the project to production. This summer, two caved portals were rehabilitated to provide access for phase two of the program.

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NEWHAWK GOLD MINES LTD. (NHG-V,T)
GRANDUC MINES LIMITED (GDC-V)

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FEASIBILITY STUDY CONTRACTED - Newhawk Gold Mines Ltd.

60% and Granduc Mines
40% have awarded Cominco Engineering Services
a contract to conduct a full feasibility study for
Sulphurets property 60 miles north of Stewart, B.C.
The feasibility study is now underway and is to be
completed by mid-March 1989. In their pre-feasibility
report, Cominco Engineering recommended that the major
study be based on a 300 to 400 ton per day operation.
Reported reserves in all categories for the West zone
are 854,072 tons grading 0.354 oz.gold/ton and 22.94
oz.silver/t. (SEE also GCNL No.222, p.1, 18Nov88). A
positive feasibility study will provide the basis for
consideration of a production decision for the West
zone, and for permitting and financing. A stage I
feasibility report is complete and will be presented to
provincial authorities within several days.

Work has resumed at Sulphurets following the Christ-
mas break. Currently, the ramp providing access to the
West zone down to the 1300 m level is being extended to
the 1250 m level. This extension is nearing completion
and will be followed by a minimum of 3,400 ft. of under-
ground drilling in 4 holes in the UTZ zone, situated
adjacent to the West zone. In late 1988, the UTZ zone
returned 0.412 oz. gold/t, 9.78 oz.silver/t over 36 feet
and 11.937 oz. gold/t, 45.94 oz.silver/t over 30 feet.

DRAGOON RESOURCES LTD.(DGN-V)

SEVERAL PROJECTS REVIEWED - Robert J. McGowan, president
has reported on four projects

in which Dragoon Resources holds interests.

Exploration work at the Comstock - Silver Cup lead,
zinc, silver project in the Slocan district of B.C., a
50%-50% joint venture with GREENSTONE RESOURCES
LTD.(GRE-T,M) has been suspended until snow conditions
permit resumed exploration in May, when the M2 area will
be tested for the depth continuation of surface samples
that assayed: 25% lead, 13% zinc, 35 oz.silver/t over a
two foot vein. At the Arlington gold project, at Salmo,
B.C., a joint venture between Rimrock Gold Corp. and
Dragoon's 50% subsidiary, South Kootenay Goldfields Inc.,
2,000 tons were processed and a decision was made to

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No. 6 (1989)
January 10, 1989

GCNL

SUNTAC MINERALS CORPORATION (SUJ-V)
REMBRANDT GOLD MINES LTD. (RTG-ALBERTA)

HOLE	INTERVAL, FT	INTERCEPT	OZ. GOLD/T	ASSAYS REPORTED FROM
98-8	257.0-268.0	11.0 ft	0.510	POLARIS TAKU PROJECT
	325.4-334.4	9.0	.455	Craig A. Angus,

104K005

'president of Sunta c
Minerals Corporation reported assay results from the 8th
hole at the Polaris Taku project 60 km east of Juneau,
Alaska in northwest B.C. Suntac Minearls may earn a 60%
interest by spending \$3,000,000 on the property over 5
years. The "88" series of holes (SEE GCNL No.233, p.1,
5Dec88 and No.228, p.1, 27Nov88 for assays), together
with the previously drilled "L" series of holes indicates
an extension of an existing reserve block with a signif-
icant increase in the strike length of the Y vein system,
that have not been included in the previous reserve
estimates. A phase II program of surface drilling and
underground rehabilitation will begin in a few weeks.
Drilling will continue to test areas outside the existing
block with the intention of adding to reserves.

create a small open pit. The open pit produced tonnage
and grade at a profit. Drilling is testing for further
reserves.

At the concentrator at Ainsworth, B.C. modifications
to up grade the plant are continuing. Virtually the
whole facility with the exception of the cone crusher has
required major maintenance, repair and overhaul. The
facility produces excellent concentrates for delivery to
the smelter. Mr. McGowan reports: "Subsequent to year
end MIKADO RESOURCES LTD.(MKO-V) has filed an action
in B.C. Supreme Court seeking partition and sale of the
concentrator. The company is opposing the partition and
expects no difficulty in maintaining ownership." Mikado
Resources holds a 50% interest in the Ainsworth plant.

Drilling resumed Jan.4,1989 on the McNeil property,
15 miles south of Cranbrook, B.C. Dragoon holds a 50%
interest and Greenstone holds a 50% interest in this
project which is being tested for silver-lead-zinc and a
separate gold zone. The No.7 hole is now drilling toward
a target depth between 2,300 and 3000 feet seeking the
intersection of the middle and lower Alderage formations.