

IDAHO DRILLING - Silver Standard Mines, through its wholly-owned subsidiary, American Standard TO START SOON Explorations, has embarked upon a \$100,000 diamond drill program at its Red Ledge optical property, Western Idaho. The program will include holes drilled from both the surface and underground. An exploration camp has been erected at the site, enabling drilling to be continued well into the winter season.

The property was not readily accessible until recent years, when a paved highway was built along the Idaho side of the Snake River to facilitate construction of the Hells Canyon Dam. The Red Ledge is reached by five miles of narrow jeep road which climbs out of the canyon at the dam site.

The Red Ledge is of particular interest because it is far beyond the stage of a raw mining prospect. Previous owners drove underground entries aggregating 4000 feet in length and drilled some 13,500 feet in 55 holes in the period prior to 1928. As a result, reputable engineers then reported substantial tonnages of moderate-grade copper-zinc-silver ore. These ore reserve figures will not be verified until some additional drilling has been completed.

The ore-grade mineralization occurs in several sub-parallel steeply dipping zones, with widths commonly 40-60 feet or more. Silver Standard's prime objective is to develop sufficient ore to support a medium-tonnage underground operation, but the possibility of a large-tonnage lower-grade deposit will not be ignored.

Silver Standard has negotiated an option to purchase with Butler Ore Company of St. Paul, Minnesota, and in the first stage is committed to spend \$100,000 U.S. prior to 1 May 71. Silver Standard may be joined in the venture by a major American company that has expressed a desire to participate in the drill program.

FOR THE RECORD

Silver Christal Natural Gas & Minerals Ltd. president J. Aubrey Simmons reports that five gas wells were completed in the Milk River Sands formation NE of Medicine Hat, Alberta this year. They are connected to the Saskatchewan Power Corp. pipeline but are producing below expectations due to sand and water blockages. This technical problem faces all operations in the Milk River Sands area, says Mr. Simmons, and steps to clean up the wells are being taken. At 30 Sep 70, working capital deficit was \$4,726 since when, \$4000 was received in rental of a bulldozer. Mr. Simmons indicates financial negotiations are underway to finance further development work but these do not involve an underwriting. For previous detail see GCNL 73, 6 April 70 and GCNL 65 and 131.

Seton Lake Mines Ltd. is geared for the fall program on their GENI claims in the Highland Valley property adjacent to Lornex. By being favorably located and straddling the indicated productive contact, a geochemical survey will commence immediately, followed by I.P. Survey as recommended by J.P. Elwell, P. Eng.

On the A claims in the Lillooet Mining Division, the recent geophysical survey will be interpreted.

Rimrock Mining Corporation Limited president, D.J. Fulton reports continuing exploration as recommended by W.G. Stevenson, P. Eng., on claims near Nakusp, SE B.C., optioned 50/50 with Shawnex Mines Ltd. Much road work has been completed, a camp has been built, and magnetometer and geochemical work has been done. An anomaly some 500 feet from the portal on ground covered by 30 to 40 feet of overburden will be the first drilled following more geophysical work now underway. The topography there is unsuitable for bulldozer stripping. Rimrock/Shawnex are having a land survey done because some claims have been over-staked.

Rimrock retains its claims in Ft. Steel mining division, B.C. Mr. Fulton expects to finalize acquisition of an interest in a copper property in Arizona within the next month. For earlier detail see GCNL 148, 20 July 70.

International Land Corporation Ltd. will pay a semi annual, interim dividend of 6¢ per common sh. on 30 Nov 70, record date 15 Nov 70. This is the first semi-annual dividend declared. In prior years annual dividends of 5, 6, 7, 8 and 10¢ had been paid.

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Whitesail is to contribute 39% of the costs or its interest will be reduced to 20%. Whitesail is to contribute 39% of the costs or its interest will be reduced to 20%.

The prospectus has been amended so that Whitesail is offering 260,000 shares at 35¢ p/s subject to commission of 5¢ p/s to net the treasury \$78,000. These proceeds will be used as to \$32,000 on the Sunset Creek property as noted above, as to \$33,000 for the recommended program on the Jeanie claims (GCNL 112(70)) and up to \$13,000 for general purposes.

Purchasers of shares sold by Whitesail at 60¢ each before the prospectus was amended, will receive adjustments reflecting the change in price.

FOR THE RECORD

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CORRECTION: \$20,000 of the proceeds of the underwriting of 100,000 shares of Rimrock Mining Corporation Limited at 25¢ per share are not to be used on the Hahas Lake property as wrongly stated in GCNL 146, 16 July 70, but to start participation equally with Shawnex Mines Ltd. to carry out Phase I of the program on the optioned North Shannon Creek property recommended by W.G. Stevenson, P. Eng., in his 22 Jun 70 report. An option to buy this 38-claim property on the N fork of Shannon Creek, 18 miles SE of Nakusp, Slocan M.D., B.C. was acquired by 29 Apr 70 agt., from A.F. Strebchuck. Rimrock and Shawnex are to pay equal parts of the purchase price which totals \$300,000 and 12,500 shares of each company. \$10,000 has been paid, \$20,000 is due 1 Dec 70, \$25,000 plus the shares are due 1 Dec 71 and the balance of cash in varying amounts annually to 1 Dec 76.

Mr. Stevenson says the claims extend from about 5000 feet to 7000 feet elevation and are accessible by logging road. Mr. Strebchuck staked the claims to cover mineralization exposed in old, short adits one of which he extended to about 70 feet in 1969. Mr. Stevenson examined the resultant stockpile of some 700 tons of material. He says, rock is porphyry, quartz and slate and carries sulfide mineralization, primarily sphalerite, galena, chalcopyrite and tetrahedrite with some cadmium. Some material with no visible sulfide contains minor silver. He took 12 samples of various materials. One of high grade sulphide assayed 11.3 oz/ton silver, 5.3% lead, 16.5% zinc, 0.234% cadmium and 0.03% antimony. A Ronka EM survey was done on part of the claims. He recommended a program costing some \$68,400 in Phase I and \$145,200 in Phase II. Rimrock shares are no longer in primary distribution.

Abco Mining Ltd. president Wm. Inverarity says title to its uranium prospect in Wollaston Lake area, N. Saskatchewan is protected for a number of years following the expenditure on it of \$56,813 by Wollaston Lake Mines Ltd. and United Canso Ltd. (GCNL 268, 6 Dec 69 and 132, 25 June 70 refer). Those firms have withdrawn from the agreements following advice of Murray W. Pyke, P. Eng. that no further work be done "due to the lack of vertical extension of the uranium bearing actinolite calc-silicate unit and the low grade nature of the uranium mineralization."

Columbia River Mines Ltd. expenditures on the Ruth Vermont project were \$1,500,000 in exploration and Copperline Mines Ltd. expenditures will be \$2,300,000 in development and construction costs giving a total of \$3,800,000 to bring this silver-lead-zinc mine into production on or about 30 July 70. GCNL 145, 15 July 70 refers.

In 6 months to 30 Apr 70, Columbia River received \$8,324 in interest and applied \$28,817 on exploration and administration, \$3,220 buying claims and \$1,861 buying equipment. Working capital was \$171,654 at 30 Apr 70.

Silver-Lee Mines Ltd. by agreement 1 Jun 70, has acquired all issued shs. of Bear Tools Co. Ltd. (an Alberta Company) in consideration of \$805,500 payable, \$190,000 cash and 560,000 shs. valued at 50¢ p/s; \$5,500 in six months; and the balance of \$330,000 by eight equal semi-annual payments of \$41,250 starting 15 Feb 71. The 560,000 shs. are subject to escrow restrictions to 15 July 71. By agt. 30 Jun 70, Donald J. Fleming has purchased 200,000 Silver-Lee shs. at 50¢ p/s to be held for investment for at least 6 months. Some detail on Bear Tools was reported in GCNL 135, 30 Jun 70.

Taseko Mines Ltd. by 15 Jul 70 amending agt. has granted Hemsworth, Turton & Company an extension on 100,000 shs. at 50¢ p/s will now be due 14 Sep 70 and on 100,000 shs. at 55¢ p/s on 13 Dec 70. Citation Silver Mines Ltd. shs. were suspended from trading on 17 Jul 70 pending clarification of its financial affairs.

McKay-Cormack Holdings Limited shs. were suspended from trading on Vancouver Stock Exchange on 17 Jul 70 pending clarification of the company's affairs. This follows a previous halt trading order.