NAME	MOSQUITO KING
SUBJECT	CLIPPINGS

ORELL COPPER MINES LTD.

WORK PROGRAM UNDERWAY - Orell Copper Mines Ltd. president C.C.Kane has reported on three 921/300 (50) of the company's projects.

On the Bowler Creek claim group he states testing of the "K" anomaly along strike to the northeast was by 2 drill holes of 50 meters at 80° to the southeast. This zone of zinc carries 0.19% copper, 0.53% lead, 2.43% zinc,0.025% cadmium, 0.001 oz.gold/ton and 1.45 oz. silver/ton. The anomaly extension is on the slope down to the Scotch Creek Valley and the anomaly lies on a horizon below the mineralized zone. Small amounts of zinc and pyrite were seen in the core.

The "J" zone was tested by 2 holes of 50 meters at 55° to the southeast. The core did not carry material to indicate what may have caused the anomaly. A deeper hole may be successful.

The "I" zone shows much promise. The zone is 600 meters in length. It has outcropping of mineralization along its indicated strike. DDH 6-79 was drilled in the centre of the zone and returned 7 meters of mineralization. DDH 7-79 was drilled along strike to the southwest and returned 19 meters of mineralization. DDH 8-79, also along strike near the end of the zone, returned 20 meters of mineralization. The drill rig is being moved to test the northeast part of the zone. Based on these results, a large tonnage is indicated from this zone. Chalcopyrite is visible in the core and from the earlier sampling should carry precious metal values.

precious metal values. 82MON properties on the Mosquito King claim group the company is negotiating with a contractor to mine and haul 1,000 tons of galena from the A1 and A2 mineral claims. The grade is estimated to be 10 oz. silver/ton, 15% lead, and 10% zinc. It is estimated that 41,000 tons of good grade galena is exposed in the area of the A1 and A2 mineral claims. Claims acquired from Allan Hilton on the north of the A1 and A2 claims, returned assays of 0.40 oz.gold, 2.13 oz. silver/ton, 3.39% lead and 3.70% zinc. Drilling of the Mosquito King is planned later in the field season.

reconnaissance geochemical survey will follow. An EM Survey may be undertaken as funds and time permit. These claims had grab smaples assaying 127.9 oz. silver/ton, 47.3% lead, 0.94% zinc, and 0.88% copper.

Admin. Expense 86,000 67,000 ending October 31, the company's operations con-95-000 70,000 tinued to generate increasing funds for reinvest-Interest Expense 242,000 |ment in explorat_ and development, says pres-Cash Flow 65___100 4-1/5¢ ident Nicholas W. Taylor. Oil/gas sales, before Per Share 11-3/100 58,000 !royalties, more than doubled in the 9 months of 165,000 Deplet'n., Deprec'n. Income Tax, Deferred 30,000 25,000 ;1976 to \$1,368,000 from \$602,000 for the same 463,000 159,000 period in 1975. Cash flow from operations increas-Net Income 7-9/10¢ 2-7/10¢; ed 170%, and net income rose 190%. Per Share Working Capital (Deficit) \$276,000 \$(15,000); Lochiel is a contributor of exploration acreage in the Sun Oil/Global Arctic farmout agreement detailed in GCNL 234(76). Some \$80,000,000 is to be spent over 4 years.

Lochiel's exploration in Alberta is continuing with new gas and oil horizons being followed up at Atleg-Buffalo in the southern part of the province. Further wildcat tests will be drilled at Bohn Lake in NE Alberta and at Pigeon Lake west of Edmonton.

Outside Canada, drilling operations on two wells in the U.K. sector of the North Sea on block 21/1 are still in progress. Well 21/1-4 in the Buchan field has contacted the pay section about 2000 feet above the reservoir water line, higher than in any earlier test. Well 21/1-5 on a new feature north of the Buchan field is nearing its objective of 13,000 ft. Plans for 1977 call for further wildcat drilling on another two features elsewhere on blocks 21/1 and 21/6. It is anticipated that construction of production facilities for the Buchan field will start soon with a target date of production set for 1978. In partnership with two Canadian and two Scottish companies, Lochiel has made application in the fifth round of licences to be awarded in the U.K. sector of the North Sea. Lochiel has formed a consortium with other Canadian partners and submitted an application for concessions in the Bay of Biscay in Spain.

Mr. Taylor says, "management feel that the next year could well be one of the most expansionary in the company's history." 82 mx 6

ORELL COPPER MINES LTD.

ADAMS PLATEAU CLAIM GROUP OPTIONED TO CRAIGMONT MINES - In a Nov. 22, 1976, report to shareholders, John Spelay, president of Orell Copper Mines Ltd., reviews the company's property history and discloses that Craigmont Mines Ltd. has taken

an exploration option on the claim group.

During 1974, Orell Copper Mines Ltd. acquired a block of 14 claims situated on the Adams Plateau for \$3,000 and the issuance of 360,000 shares to John Spelay, George Kachuk and Cyril Kane. The property was formerly held and explored by Giant Metallics Mines Ltd.

Craigmont Mines Ltd. agreed to option the claims for five years with payments of \$10,000 down and \$30,000 on Sept.30,1977 and \$20,000 each year thereafter. Orell Copper is 20% of the net proceeds from production. The claims are to be returned if Craigmont does not give production notice in five years. Additional staking was done by Craigmont which results in 92 units being subject to the agreement. Craigmont is to undertake an exploration program wherein a minimum of \$10,000 is to be spent in the first year, \$20,000 in the second year, \$40,000 in the third year, \$75,000 in the fourth year and \$100,000 in the fifth year. The option can be terminated at any time by Craigmont and the claims returned to the company. Mr. Spelay reported that Craigmont started exploration immediately after signing of the agreement on August 23,1976, and favourable weather has enabled the program to continue late into the 1976 field season.

During the year, Orell Copper drilled an 83-foot hole with a "prospect drill" in the southern end of the claims and encountered visual silver-lead-zinc sulphide from 26 feet to 55 feet.

The claims held by Orell Copper were named the CU No.1 to CU No.8, the Oro No.1 to Oro No.6, and the Al and A2.

The president also reported, "The northern Mosquito King claims were probe drilled in anticipation of highgrading. Sampling and assays were done to determine grade of mill shipments. However, uncertain production costs prevented highgrading taking place.

8 years from Jan. 1, 1969, to Nov. 20, 1976, the period covered in an unaudited financial statement, Orell Copper Mines spent \$57,185 on exploration and development and \$8,388 on administration. As at Nov. 20, 1976, the balance sheet shows current assets 99,751, current liabilities \$5,688, and 765,182 shares issued of the 5,000,000 shares authorized. Of those issued, 403, 182 shares are subject to pooling agreements.

1. 82 M/3 MOSQUITUKING

WORK PROGRAM UNDERWAY - Or Copper Mines Ltd. president C.C.Kane has reported on three of the company's projects.

On the Bowler Creek claim group he states testing of the "K" anomaly along strike to the northeast was by 2 drill holes of 50 meters at 80° to the southeast. This zone of zinc carries 0.19% copper, 0.53% lead, 2.43% zinc,0.025% cadmium, 0.001 oz.gold/ton and 1.45 oz. silver/ton. The anomaly extension is on the slope down to the Scotch Creek Valley and the anomaly lies on a horizon below the mineralized zone. Small amounts of zinc and pyrite were seen in the core.

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On the Silver Lichen claim group, a line cutting crew has started work on a grid and a reconnaissance geochemical survey will follow. An EM Survey may be undertaken as funds and time permit. These claims had grab smaples assaying 127.9 oz. silver/ton, 47.3% lead, 0.94% zinc, and 0.88% copper.

GEORGE CROSS NEWS LETTER LTD. NO.204(1978) (Page Four) CALEDONIA RESOURCES LTD. OCTOBER 24,1978

GOOD GRADE COPPER - Diamond drilling has encountered good grade copper in a new zane on the LaPlata-Allard property under exploration by Phelps Dodge Corp. through CUT IN THIRD ZONE a farmout agreement with Caledonia Resources Ltd. The new hole is drilled

Age Zone yielded the following:

	Oz./Ton	Oz./Ton	
Length of Sample	Gold	Silver	Copper 3
50 feet	0.02	0.10	0.48
50 feet	0.055	0.20	0:76
30 feet	0.003	Nil	1.35
40 feet	$\operatorname{\mathtt{Tr}}$	0.20	0.33
50 feet	0.003	Nil	0.47
200 feet	0.01	0.20	0.62
200 feet	${ t Tr}$	0.10	0.51
200 feet	0.01	0.20	0.33
100 feet	0.003	0.10	1.01
100 feet	Tr	Nil	0.33

Previous surface sampling from the Copper | at -45° to test a new copper zone approximately assays are not complete, an intersection from 100 to 200 feet ran 0.53% copper and is now being run for gold and silver values. Assays for another 150 feet will follow.

The property, located 15 miles nerthwest of Durango, Colorado, is operated by Phelps Dodge which company can earn a 70% interest. To date, Phelps Dodge has spent in excess of \$600,000 on the ground. Its potential is a large open pit copper deposit with minor values in gold and silver.

Some of the better diamond drill results i within the Allard Zone, located 2000 ft. to the

southeast of the new drill hole, are reported as follows: 651 ft.of 0.49% copper 207 ft.of 0.30% copper 302 ft.of 0.75% copper 101 ft.of 0.66% copper 278 ft.of 0.57% copper 968 ft.of 0.56% copper 110 ft.of 0.65% copper

The Allard Tunnel, some 300 feet below surface, averaged 0.44% copper over 350 feet.

The zone is 1800 feet by 1600 feet.

"In 1977, an angle drill hole in the Copper Age Zone, "CA.3, returned 670 feet averaging 0.48% copper and stopped in ore grading 0.52% copper."

(See GCNL NO.'s 195, 177, 176 for progress reports on Caledonia Resources other

properties).

ORELL COPPER MINES LTD.

MAJOR DROPPED PROPERTY C.C.Kane, C.G.A., president of Orell Copper Mines Ltd., has OPTION-OTHER MAJORS INTERESTED reported that Craigmont Mines Ltd. has dropped the option MAJOR DROPPED PROPERTY on two of the properties of Orell. He states that, during the past two years, Craigmont Mines completed nine drill holes on the Mosquito King claims

and 17 drill holes on the Bowler Creek claims, both in the Adams Plateau area, 30 miles north west of Salmon Arm, B.C.

The drilling on the Mosquito King claims was on the north side of the exposed mineralization. Several geophysical anomalies on the west end and east end of the mineralized area still require drilling. A similar situation exists on the Bowler Creek claims.

All the data from the Craigmont property work has been turned over to the company consultant Dr. James Black, P. Eng., for a report and recommendation on further work.

Several major companies are interested in optioning the properties to continue the drilling. Mr. Kane said these majors wish to option the Silver Lichen claims where silver assays up to 149 ozs. per ton have been obtained from a grab sample. Discussions are continuing with these companies.

A new director, David Lynes, a pharmacist and businessman from Enderby, B.C., has joined the board of directors of Orell as secretary treasurer. He owns 120,000 shares of the company. John Spelay has become vice-president and remains a director. It is planned to add several directors in the near future.

Mr. Kane states that until an underwriting can be arranged, funds will be advanced to the company as required by the directors.

FOR THE RECORD

Burlington Gold Mines Ltd. has had the option due Nov.9,1978 covering 100,000 shares at 20¢ each exercised by West Coast Securities Ltd. An option on 100,000 shares at 20¢ each due Nov. 9,1978, held by Canarim Investment Corporation Ltd. remains outstanding. The secondary offering of 111,000 shares of Burlington Gold Mines Ltd. which expired Oct.10,1978 has been completed.

San Rafael Resources Ltd.'s underwriter Canarim Investment Corporation Ltd. has exercised its option to buy 200,000 shares at 20¢ per share. Effective Oct.19,

1978 the shares of San Rafael were out of primary distribution.

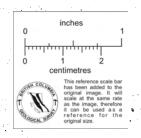
Dungannon Explorations Ltd. shares were up graded to the Resources and Development board of the Vancouver Stock Exchange at the opening Oct. 23, 1978. The shares have been removed from the Vancouver Curb Exchange.

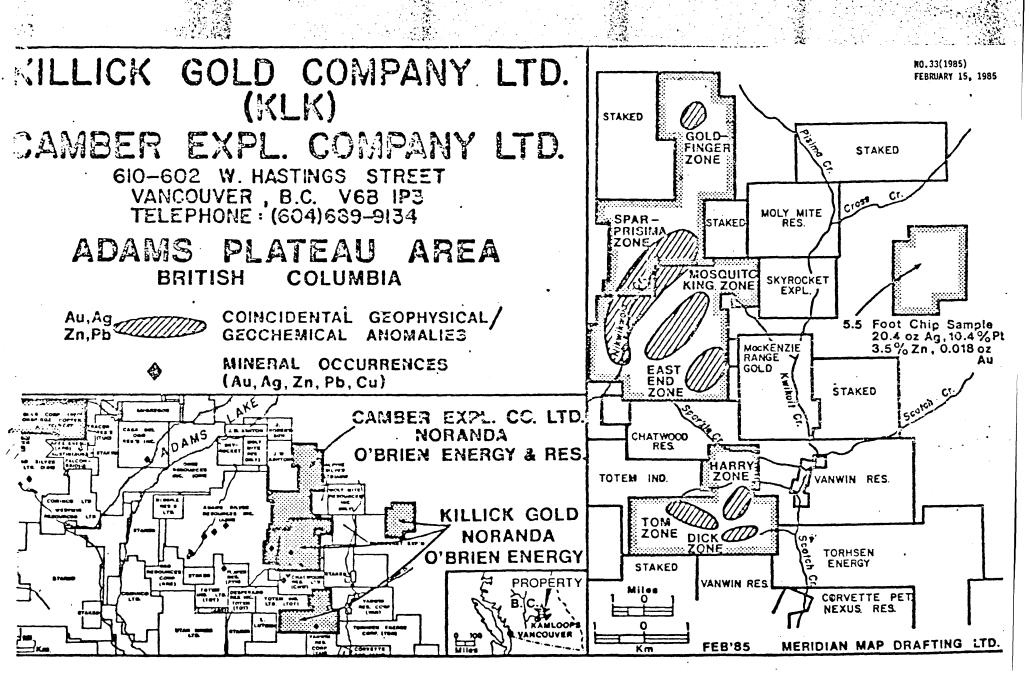
Dora Explorations Ltd. now has 135,000 shares remaining in escrow following the pro rata release from escrow of 15,000 shares effective Oct.23,1978.

Comaplex Resources International Ltd.'s shareholders E & B Explorations Ltd. as to 35,000 shares, John E. Lyder as to 20,000 shares, Robert H. Wanless as to 25,000 shares and Glen Harper as to 20,000 shares have qualified stock for sale for

60 days starting Oct. 25, 1978 through the facilities of the Vancouver Stock Exchange. Lion Mines Ltd. series A share purchase warrants started trading on a cash basis at the opening Oct. 24,1978. The warrants expire Oct. 30,1978 and will therefore be delisted at the close of business Oct.30,1978.

NO.204(OCTOBER 24,1978) + GEORGE CROSS NEWS LETTER LTD. + THIRTY-FIRST YEAR OF PUBLICATION +





FEBRUARY 15, 1985

GCNL #33

KILLICK GOLD COMPANY LTD, (KLK-V)

HARBINSON GROUP JOINING ADAMS PLATEAU JOINT VENTURE WITH NORANDA EXPLORATION

9 MONTHS ENDED 30 SEPT. 011 Production Equipment Lease 3,000 \$47,099 Total Revenue 23,729 Cash Flow 785 Net Loss

C.C. Kane, C.G.A., president of Killick Gold Company Ltd. announces that preliminary evaluation of the field work performed by Moranda Exploration Ltd. in 1984 on Killick's claims on the Adams Plateau MW of Kamloops, B.C., is highly encouraging and indicates a significantly larger exploration program is warranted. SEE CLAIMS MAP OVERLEAF. As calculated by James M. Black,

Ph.D., P.Eng., previous work to 12Jun83 had established drill indicated tonnages on the Mosquito King claims as follows:

Area	Tonnage	Zinc %	Lead %	Oz.Silver/t	Thickness	Mr. Kane reports that a chip sample across 0.5 meter from a trench on the Fox
Al and A2 Claims	37,200	2.09%	0.83%	0.39	5.38	ciaim assayed 0.27 oz.gold per ton.
Al and A2 Claims	5,200	2.60%	1.38	0.58	11.2	Killick has agreed to renegotiate the
Spar Claims	12,300	4.83	10.56	6.03	11.0	Adams Plateau option agreement to allow
						O'Brien Energy (Harbinson Group) to joint

venture the exploration program with Noranda. Also, the exploration option has been extended two years. Killick is to remain 25% carried interest in the claims and a production decision has to be made before 1Dec88. Killick is to retain 25% carried interest in the claims and a production decision has to be made before IDec88. Killick is to retain 25% 591113H79H085H1 180H carried interest after a production decision. Option payments are still under negotiation.

Besides the Mosquito King claims, this Noranda/O'Brien option covers the Bowler Creek and Silver Licher properties which are also on the Adams Plateau. From work to 12Jun83, Dr. Black calculated drill indicated tonnage on the Bowler Creek claims to be 171,500 tons grading 1.45 oz.silver/t, 2.43% zinc and 0.53% lead in a deposit 11.5 feet thick. The samples were not assayed for gold.

Killick has 25% working interest in a 92-claim block in the Terrace Bay area, Thunder Bay mining division, Ontario. This is a gold prospect with base metal potential. It is the subject of a joint venture, the other partners, each with 25% interest, being Camber Exploration Company Ltd. of Vancouver and Medallion Exploration Ltd. and Panorama Petroleums Ltd., both of Denver, Colorado. Camber is operator. Consultant H.J. Bergmann, P.Eng., has recommended a 2-stage, \$100,000 wark program.

Elsewhere, Killick owns the 39 Flagstaff claims, a gold prospect on Prince of Wales Island, Ketchikan recording districk, Alaska, on which Dr. Black recommends drilling at least 1005 meters in 13 locations.

The oil poduction revenue shown in the adjoining table comes from Killick's 18.75% working interest in 6 producing wells drilled in the Harristown East field near Springfield, Illinois, by Atlantic Energy Corp.'s wholly-owned Comanche: 011 Corporation.

Killick has 976,937 shares outstanding. Imminently, an offering of 800,000 shares at no less than 35¢ each is to be made through Merit Investment Corp., as agent (GCNL 21(85) PAGE 3 REFERS).



Orell Resources Joint Venturing With Noranda At Adams Plateau & With Lobo Ex. at Terrace Bay, Ont.

by Desmond Bachelor

With all the current interest in British Columbia's Adams Plateau area, many of the local punters seem to have forgotten the fact that companies have been exploring the area for many years.

A case in point is Salmon Arm-based Oreld Resources, whose president, the affable Cec Kane, has been exploring the plateau for some six years and over this time has assembled three separate groups of claims, the Mosquito King, Bowler Creek and Silver Lichen, totalling 167 units, an impressive 10,319 acres of which 20 percent has so far been explored.

Now after these years of extensive exploration, success seems to be around the corner with mining major Noranda optioning all three claims blocks.

The option is for three years; Noranda can a carn a 60 percent equity by spending a minimum of \$3 million on exploration and a report on production feasibility. On a production decision Orell must meet 40 percent of the costs or get diluted to a 25 percent carried interest. Noranda is to make payments of \$50,000 a year over the three year option period, also during this period Orell has the right to process 100,000 tons of highgrade ore at its property's millsite.

In 1979 Orell shipped 161 tons of ore to the Trail, BC smelter which assayed 7.09 ounces of silver, 10.1% lead, 8.5% zinc and 0.07 ounces gold per ton. During 1980 trenching of an IP anomaly on Mosquito King's Fox claim, gold mineralization was uncovered assaying 0.152 ounces of gold per ton. Samples taken by Noranda in the same area returned values of 0.27 ounces of gold per ton.

Professional Engineer Dr. James Black reports that drill indicated reserves from Orell's earlier exploration on the Mosquito Creek and Bowen Creek groups are 226,000 tons averaging 1.5 ounces silver, 2.5% zinc and 1.13% lead per ton, it should be mentioned that at this time no assays were made for gold content. Calculations of reserves do not include the Silver Lichen claims, a drill program not yet having been undertaken, however assays from a 5.5 foot chip sample were 20.4 ounces silver, 10.4% lead, 3.53% zinc and 0.018 ounces of gold per ton.

By this February Noranda started airborne geophysical on the claims and will follow up with ground survey and diamond drilling as the program develops.

In addition to Orell's Adams property, it is also joint venturing with another Salmon Arm-based firm, Lobo Exploration Company,

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on a 92 claim gold prospect in Ontario's Terrace Bay area. Orell is a 25 percent partner in this venture.

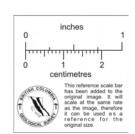
Lobo's Consulting Geologist H.J. Bergman has prepared a report on the property which states in part that "the preliminary study of the Lobo property and the geological conditions in the area indicates that the gold mineralization is quite widespread. Most of the gold mineralization found to date in the vicinity of the Lobo ground is in quartz veins or shear zones in the same metavolcanic rocks that underlie most of the Lobo property. However, the Hemlo type of gold deposits cannot be ruled out as the Lobo property is in the same sedimentary-volcanic belt of rocks. There is also the potential for base metal mineralization as indicated by the recent development of the nearby property of Zenmac Explorations Ltd.'

Orell has recently formed a wholly owned subsidiary, Millex Resources, created to consolidate equipment for joint venture production products. Millex has recently finalized arragements with Victor Industries subsidiary, Cascade Development Company, to locate Orell's 50 ton portable concentrator to operate on Victor's Follies Mine project near Silver City, Nevada.

In a recent corporate move, Cec Kane has announced the appointment of Ted Kennedy to Orell's Board of Directors. Kennedy is president of VSE trade Kenergy Resources Corp and Ted Kennedy Consulting Ltd. Ted Kennedy has had extensive experience in resource exploration and development both in and outside Canada.

Orell trades on the VSE under the symbol ORE

あず. March/April '84, Prospector + とも、MAG.





202 2100182

ORELL RESOURCES LTD.

	6MONTHS TO 30JUNE82	12MONTHS TO 31DEC81	
Oil Revenue	\$ 136,042	\$ 370,489	
Operating Expense	8,373	6,571	
General, Admin. Exp.	41,470	54,908	
Depletion	22,740	45,318	
Income Tax, Deferred	-	110,537	
Net Income	63,458	153,152	
Working Capital Deficit	\$ 92,560	\$ 75,829	
Shares Outstanding	3,236,932	3,236,932	

The recession has forced Orell Resources Ltd. to cut back on most of their activities, says president C.C.Kane in an interim report. Nonetheless significant progress has been achieved. On Orell's claims on the Adams Plateau northeast of Kamloops, B.C., their portable concentrator was ready for testing under load by the end of June. It operated satisfactorily in crushing 10 tons of ore which was then ground in the ball

mill to 200 mesh. This should result in good separation of the mineral from the waste rock. The concentrator has been moved to storage to await an upturn in metal prices. Earlier sampling of the estimated 2,200 tons of ore at the mill site was 0.50 oz. silver per ton, 3.02% lead, 5.47% zinc. This year the ore at the mine site was sampled: Al mineral claimestimated 6,000 tons grading 0.60 oz. silver/t, 11.6% lead, 6.45% zinc; A2 claim-estimated 4,000 tons grading 1.64 oz. silver/t, 5.65% lead, 5.9% zinc. The ore at these locations is in folds and on surface which would facilitate open pit mining.

Orell have been approached to do joint venture work with the concentrator with holders of claims containing high grade ore. Also there are buyers for the concentrator should

Orell wish to sell it. A consulting mining engineer will be retained to evaluate the production potential of the Adams Plateau claims and the concentrator.

Limited exploration was undertaken on the Mosquito King, Bowler Creek and Pilver Lichen claim groups, all on the Adams Pleteau. The Flagstaff mine claims in Alaska were kept in good standing. Assays of chip samples over 2 feet have returned values of 1.82 oz./gold and 9.04 oz. silver.

In West Virginia, management problems in Orell's oil/gas operating partner have delayed progress but are being resolved so that the wells may in due course be placed on stream.

progress but are being resolved so that the wells may in due course be placed on stream. The Harristown field in Illinois has had production curtailed due to low demand at the refinary caused by a slow economy.

GONL #2 OBJAN1983 ORELL RESOURCES LTD.

•	O HOMTHS TO	12 HOLTHS TO	:
	30SEP82	31DEC11	į ,
Oil Production Revenue	\$186,801	\$370,489	: ;
Operating Expenses	18,045	6,571	: (
General, Admin. Expense	63,571	54,900	1
Depletion, Depreciation	37,646		
Income Tax, Deferred	••	110,530	: ?
Met Inconc	67,538	153,153	
Cash Flow	105,134	309,009	; ;
Morking Capital Deficit	\$ 91,366	\$ 75,029	
Leng		Silver	. 1
Vein Fee		Oz/Ton Lead	7
Tosquito King Vein 125		4.8 4.9%	Ź
Consect Made			

Sunset Vein 4.0 Sunset #Vein 340 3.5

The 1982 fleld sults have been very encouraging for Orell Resources Ltd. on their silver-lead-zinc property on the Adams plateau, 65 km. ME of Kamloops, B.C., says president C.C.Kane. The eastern arm of a large regional fold on the Mosquito King claims was found to contain drag folds with good "ineralization in the crests. One drag fold was outlined by induced polar. ization survey. Earlier induced polarization had outlined the regional fold. Sampling in Zinc: the vicinity of the eastern drag fold 4.1%; by Cominco in 1949 yielded the results 4.4; shown in the adjoining table. Orell's 2.5 3.9 7.0 shipment in 1979 of 161.6 tons from the eastern drag fold returned values

of 7.09 ounces of silver per ton, 10.1% lead, 3.5% zinc and 0.07 oz.gold/ton. developing one from this area for processing in their portable concentrator.

The western arm of the large regional fold was surveyed by induced polarization and found to have a drag fold containing mineralization in the crest also. The vein was drilled in 1966 by Pamex Wining Ltd. and intersected 16 feet from 10 to 34 feet in the hole that assayed 11.12 oz. silver and 0.023 oz. gold per ton, 10.00% lead, 0.5% zinc. Shipment from this vein in 1953 of 97.6 tons assayed 20.19 oz. silver, 30.13% lead, 10.14% zinc. Due to folding, the vein appears to plunge to the northwest rather than to the southwest as has been believed to date. Discussions are planned with four major Canadian mining companies on optioning these claims and the nearby Bowler Creek and Silver Lichen claims.

Fr. Kane reports that three major U.S. mining companies examining Orell's Flagstaff Hine gold-silver prospect in SE Alaska. These companies have been active in that area. Also, a U.S. finance group is considering a syndicate to fund further work on the Flagstaff. Hr. Kane hopes to arrive at a suitable agreement on the Flagstaff in early 1983.

NO.8(1982)JANUARY 13,1982

GCNL #8 13 JAN 82

3000 Ibs. Net Smelter Returns P/Day, Zinc Lead

1500 Ibs. 229 Silver 15 ounces 120

1,084 Total Net Smelter Returns 225

Mining Cost @ \$5 per Ton Concentrator Op.Cost,\$15 per Ton

675 \$184 Operating Profit

AMILLOSAM 016 CONCENTRATOR EXPECTED KW TO GENERATE EXPLORATION FUNDS

To obtain milling data on ore from their A1 and A2 claims on Adams Plateau NE of Kamloops, B.C., Orell Resources Ltd. have bought a portable concentrator from Lobo Exploration Company Ltd. capable of treat-

ing 30 to 45 tons of ore per day. C.C.Kane, president, says about 12,000 tons of ore has been made ready on the claims of which, some 2,200 tons have been hauled down to the concentrator site in the valley. Sampling of the 2,200 tons has established a grade of 0.52 ounce silver per ton, 3.4% lead and 5.9% zinc. Based on a lead price of 36.5¢ Cdn. per pound, zinc at 53¢ per pound and silver at \$9.60 per ounce and on 45 tons of ore bring treated daily to yield 4.5 tons of concentrate containing 50% lead or zinc, the economics of the concentrator operation are as shown in the table.

Mr. Kane notes that it is possible to improve the grade by minima from the high grade sections and it is expected that recoveries will be greater than in the calculations. Mr. Kane says the mining and milling of the ore should enable Orell to continue exploring the claims without further financing by share underwritings.

> **28**2M 016 TINER SBUATE 15 Orell Resources

Geophysics undertaken by Orell Resources in 1981 over the two Mosquito King claims near Shuswap Lake, B.C., outlined strong coinci dent anomalies. Drilling confirmed the presence of mineralization over a 2,500-st. strike length, with the best mineralization occurring in the crests of folds near drill holes DDH 81-1, 2 and 8. A large area remains to be drilled in the 1982 season.

Approximately 8,000 tons of ore were blasted near DDH 81-2 and 4,000 tons near DDH 81-1. Of 12,000 tons of ready ore from the two claims, 2,200 tons hauled to the concentrator site in the valley is from DDH 81-2 and assayed 0.52 oz. silver, 3.4% lead and 5.9% zinc. Metallurgical testing of the ore is now underway.

Extensions of the mineralized zone to the northwest and northeast of the claims have been uncovered through stripping and trenching and are as large or larger than zones selected for work in the past year, the company says.

WCRK ON MULTI-METAL PROSPECT- Orell Resources Ltd. president C.C. Kane reports detailed geological INCLUDES PILOT MILL TESTING mapping has been underway since mid-June on their Adams Plateau claims 41 miles east of Kamloops, B.C. Past trenching on the Mosquito King claims uncovered high grade veins carrying silver, lead, zinc, copper and gold. Shipments of 161 tons of ore to the smelter in 1979 averaged 7 ounces silver per ton, 10% lead, 8.5% zinc and 0.07 ounce gold per ton. Currently, gridding of the veins is underway to facilitate induced polarization and electromagnetic surveys. Drilling is scheduled for mid August. Earlier drilling by Craigmont was found to have drilled into faults coincident with the survey line. Highgrade ore was found on either side of the faults.

On the east side of the Mosquito King claims molybdenum has been found in the granite contact. Follow up work is in progress to further define this new discovery.

Stockpiling of ore is to start for milling in a 30-ton concentrator now teing assembled in Salmon Arm and due to move onto the property in mid-August.

Orell Resources Ltd. has completed, since 8Sept81, five diamend drill holes on its Mosquito King claims, located 41 miles east of Kamloops, B.C. to test induced polarization, electromagnetic and magnetic coincident anomalies over and close to the vein from which a shipment of 161 tons, made in 1979, averaged 7.0oz. silver/t, 10% lead, 8.5% zinc and 0.07 oz. gold/t. The first three holes cut true thicknesses of mineralization of: 17ft., 10ft. and 27 plus 3 feet, respectively. The core is being logged, split and submitted for assaying. A further five holes is planned to test the anomaly which is 240 meters long. The contract is for a minimum of 500 meters of core. Shares of Orell Resources are now out of primary distribution.

On the Mosquito King claim group the company is negotiating with a contractor to mine and haul 1,000 tons of galena from the A1 and A2 mineral claims. The grade is estimated to be 10 oz. silver/ton, 15% lead, and 10% zinc. It is estimated that 41,000 tons of good grade galena is exposed in the area of the A1 and A2 mineral claims. Claims acquired from Allan Hilton on the north of the A1 and A2 claims, returned assays of 0.40 oz.gold, 2.13 oz. silver/ton, 3.39% lead and 3.70% zinc. Drilling of the Mosquito King is planned later in the field season.

REPORT OF 1980 FIELD WORK - Orell Resources Ltd. president C.C. Kane has reported that AWAITS ASSAY RESULTS

NE of Kamloops, B.C., this past field season was conducted on areas of coincident geophysical anomalies and mineral outcrop. Significant mineralization was encountered in 12 of the 16 trenches. Veins up to 54 inches thick carrying galena, zinc and copper were found underlying mineralized chert. Assays from sampling are awaited.

Two main areas of mineralization are indicated - one 2,000 feet long, the other 3,000 feet long. The east zone has parallel geophysical anomalies which have not been tested. Both zones were outlined from an I.P. survey.

Shipment of 161 tons of ore in 1979 to the smelter from the East zone returned assays of 7 oz. silver/t, 10% lead and 8.5% zinc.

Dr. James Black, P. Eng., sampled the veins and is preparing recommendations for further work.

Elsewhere on the property, prospecting of the Silver Lichen claims and Bowler Creek claims found areas of interest for trenching.

REPORT OF 1980 FIELD WORK - Orell Resources Ltd. president C.C. Kane has reported that AWAITS ASSAY RESULTS trenching on the Mosquito King claims on Adams Plateau, 70 miles NE of Kamloops, B.C., this past field season was conducted on areas of coincident geophysical anomalies and mineral outcrop. Significant mineralization was encountered in 12 of the 16 trenches. Veins up to 54 inches thick carrying galena, zinc and copper were found underlying mineralized chert. Assays from sampling are awaited. Two main areas of mineralization are indicated - one 2,000 feet long, the other 3,000

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CENT HIGH LICK GOLD COMPANY LTD. (KLK-V) 82M 4E (082M 016)

FUNDS RAISED TO HAUL 4000 TONS OF HIGH - C.C.Kane, president, announces that K1111ck Gold Company Ltd. received GRADE ORE TO THE COMPANY CONCENTRATOR \$40,250 from the recent private placement of 115,000 tax flow-through shares.

The funds are to be used to haul 4,000 tons of high grade ore 35 km from their Mosquito King claims on the Adams Plateau NE of Kamloops, B.C. to the concentrator millsite in the Scotch Creek valley below the claims. Moving and setting up for winter operations of the company-owned 50 ton portable concentrator is also planned. A bulk sample of 161 tons of the high grade ore in 1979 returned 7.09 ounces of silver per ton; 10.1% lead; 8.5% zinc; and 0.07 ounce gold per ton.

A limited partnership has been formed to raise up to \$300,000 to fund the pilot mill testing of the ore. Economic projections of the ore processing indicate a \$50,000 monthly net profit from processing 30 tons per day. A prospectus for an offering of 100 units by the limited partnership is ready for submission to regulatary authorities.

Killick has the right to process up to 100,000 tons of high grade ore under an option agreement with Noranda Exploration Co. Ltd. The option runs for 3 years from 1Dec83. Noranda has outlined several large anomalies which contain many mineralized outcrops. Noranda has reported that a drill test of a high soil anomaly of silver coincident with geophysical anomalies on the company-owned Bowler Creek claims shows good mineralization. The drill cut mineralization almost immediately and was stopped at 40 meters upon clearing the footwall. The immediate area around the drill site has outcrop of galena and zinc. Drilling of other coincident geophysical, geochemical and geological targets is to continue.