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Skyline to Share Gold Bonanza With International Major Placer Developments

by David O'Keefe

In a notable corporate move to bring its rich gold-silver copper Stikine property to production, President Reg Davis of Vancouver-based Skyline Resources announced the company has entered into an exploration and development option with international major mining corporation Placer Development.

The agreement covers the development of Skyline's gold-rich Reg Group claims in northern British Columbia's Liard Mining Division.

Placer Development has paid \$75,000 for the option and in order to keep it in good standing must expend \$750,000 for 1983 exploration and \$1 million during the 1984 calendar year, additionally Placer must purchase 18,750 Skyline shares at \$4.00 by March 1, '83 or before 1983 commencement of work on the property whichever is earlier; 30,000 shares at \$5.00 by January 15, '84; 21,430 shares at \$7.00 by January 15, '85 and 16,670 shares at \$9.00 by January 15, 1986

For Placer to maintain its rights it must also complete a feasibility study prior to December 31, '86, however by paying \$200,000 per year Placer can extend this date for a further two years.

Placer has two directions open for the exercise of this option, it can give notice of commencement of mine construction within 12 months which will earn a 60% working interest by giving the same notice and paying to Skyline \$1 million.

Exploration and development will centre on Skyline's 171 unit Reg Claim Group. The property is sited about 40 miles west of Highway 37 on Johnny Mountain and the Iskut River Valley. Access to the property is currently by helicopter, however plans are being drawn by Pamicon Development's Bob Darney for an access road to the property, hopefully to tie in with the proposed Iskut River damsite.

Skyline acquired the property in 1980 and trenching and sampling started in the summer of 1981 and at least six massive sulphide zones were traced. The two high value zones now being explored are the Pick-Axe zone and the Cloutier zone. The first three '82 holes from drill station 1 into the Cloutier assayed 15 feet of .117 ounces gold per ton, 1.31 ounces silver per ton, 4.47% copper; 18.5 feet of .265 gold per ton, .696 ounces silver per ton 3.57% copper and 50 feet of .302 ounces gold per

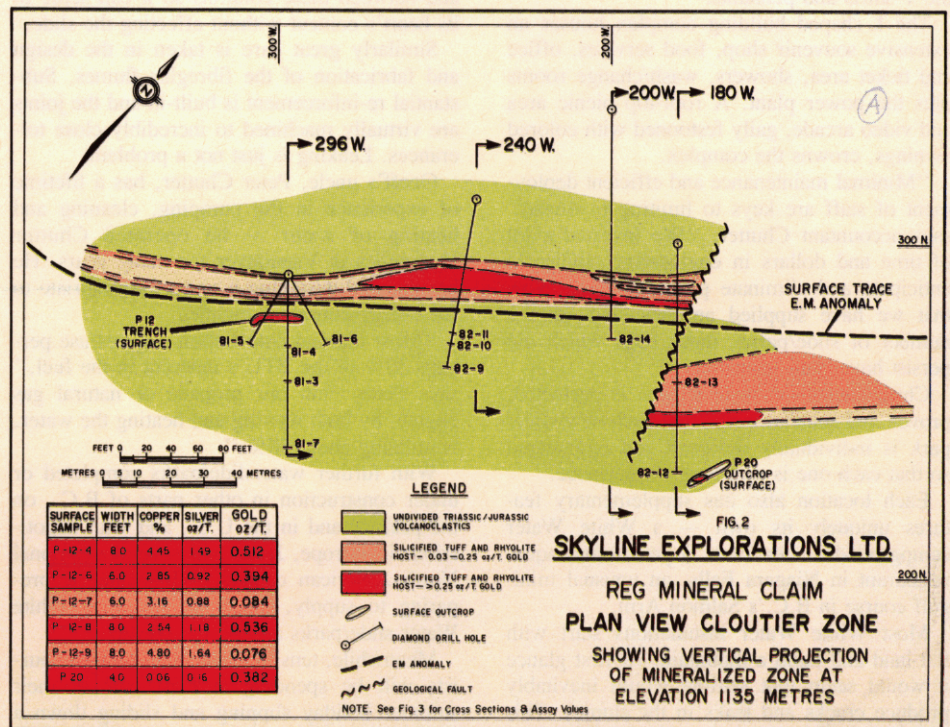
ton. Hole #82-14, a 135 feet stepout from station 1 drilled at a 45° angle gave an assay average of 3.324 ounces gold per ton over 19.5 feet. Results from a further five assays from holes #82-15 and #82-16 gave an average over 17 feet of 1.242 ounces gold per ton, .52 ounces silver per ton and .51% copper.

The 1450 foot long Cloutier Zone and the 3300 foot long Pick-Axe Zone have now been supplemented by the discovery of a third section of major importance, the McFadden Zone. Results from thirteen Skyline float samples taken over a 720 foot by 210 foot area, showed an average grade of 2.88 ounces gold per ton, two samples taken by Placer Development assayed 6.58 ounces and 3.75 ounces gold per ton respectively. Two samples taken by another major mining company showed 3.20 ounces gold and 3.37 ounces gold per ton respectively.

Excluded from the agreement are the 100% Skyline owned Inel Group of claims, roughly four miles east of the Reg Group, consisting of the Discovery Zone and the Inel Zone.

The Inel Group is in the same geological setting as the Reg Group. Sampling of the two zones shows comparable values as on the Reg at the same stage of development. A high grab sample #2934 returned 2.78 ounces gold per ton and 2.7 ounces silver per ton, one float sample taken between the two zones assayed 0.06 ounces gold per ton and a high 174 ounces silver per ton. The Skyline-Placer agreement will allow Skyline to concentrate its 1983 efforts on these two high potential zones.

Skyline trade on the Vancouver Stock Exchange Symbol SKX



104B107.



Alan Hassell shows the profit picture in the water slides that are pouring into our summer recreations.

video arcade, while Sis loses herself among the T-shirts and pennants.

The L-shaped building complex houses an extensive souvenir shop, food services, office and ticket area, showers, wash/change rooms plus the power plant. A roof-top picnic area and video arcade, gaily festooned with colored awnings, crowns the complex.

"Minimal maintenance and efficient deployment of staff are keys to limiting overhead" says accountant Chutter. "We invested a lot of time and dollars in engineering studies to anticipate and eliminate problem areas. Now that we have supplied and installed quite a number of slide/parks, those bugs which did persist have been ironed out."

Chutter says the basic system is perfected, proven and standardized, "but each new slide/park is individually designed and engineered so that each one is a different experience."

Each location also has supplementary features uniquely its own — a White Water campground in Penticton, a year-round aqua-restaurant in Niagara Falls, an unusual mini-golf course in B.C.'s Salmon Arm.

Most White Water installations start with flat land and build a mountain. At first glance it would seem that settling would inevitably produce cracks and leaks in the flumes. This is prevented by the simple expedient of pouring the footings below native subgrade first, on which are erected vertical steel columns. The

mountain of material is then deposited around and between these columns so it can settle to its heart's content without affecting the slide.

Similarly great care is taken in the design and fabrication of the fibreglas flumes. Substantial re-inforcement is built-in and the joints are virtually machined to incredibly close tolerances. Leaking is just not a problem.

Geoff's uncle, Peter Chutter, has a lifetime of experience in the pumping, cleaning and heating of water — he operated Chutter Hydraulics in Vancouver for many years. He has enjoyed designing a system appropriate to the energy-conscious eighties.

"Most internal combustion engines use perhaps 30% of the BTU's inherent in the fuel," says Peter "but our propane or natural gas engine, by both moving and heating the water, is utilizing about 80%."

With further waterslide/parks completed or under construction in other parts of B.C., on the prairies and in the U.S., and with negotiations in Europe, Japan and several additional North American centres, Whitewater is preparing to supply, install or franchise White Water slide/parks around the world.

Meanwhile, tens of thousands of happy tourists will be spending at least part of their summer holiday slipping and sliding down a White Water slide in what has been termed the fastest-growing summer participation sport on the continent.

LETTERS TO THE EDITOR

The Editor,

I am interested in a three year subscription, please bill me later, can you help me in getting Vancouver Stock Exchange Trade Book and Montreal Stock Exchange Trade Book and annual reports on corporations that you have dealings with. As a private investor it helps.

Sincerely,
Lila Wetz,
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Dear Ms. Wetz,

If you could send your full address, perhaps we can be of help to you. Ed.

Dear Gentlemen,

I would like to have a sample copy of your publication as I am interested. I have seen it advertised in some of the other publications I receive and I think you may have the extra information or additional information I am seeking. Your special consideration in this matter will be genuinely appreciated and I am looking forward to hearing from you in the near future.

Sincerely,
Gary G. Webb
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Mr. Douglas Huber
Managing Editor
International Prospector & Developer Inc.,

Dear Mr. Huber:

I note in your "Letters to the Editor" for the Aug.-Sept. issue, your reference to the Canadian Mines Handbook 1981-82. The new annual publication became available in July and we thought you might appreciate a complimentary copy which is enclosed.

You may also be interested in knowing that our Canadian Oil & Gas Handbook 1982-83 will be available early next month, a copy of which will be mailed to you.

We find your magazine very interesting and informative. It is read by many of our editorial staff.

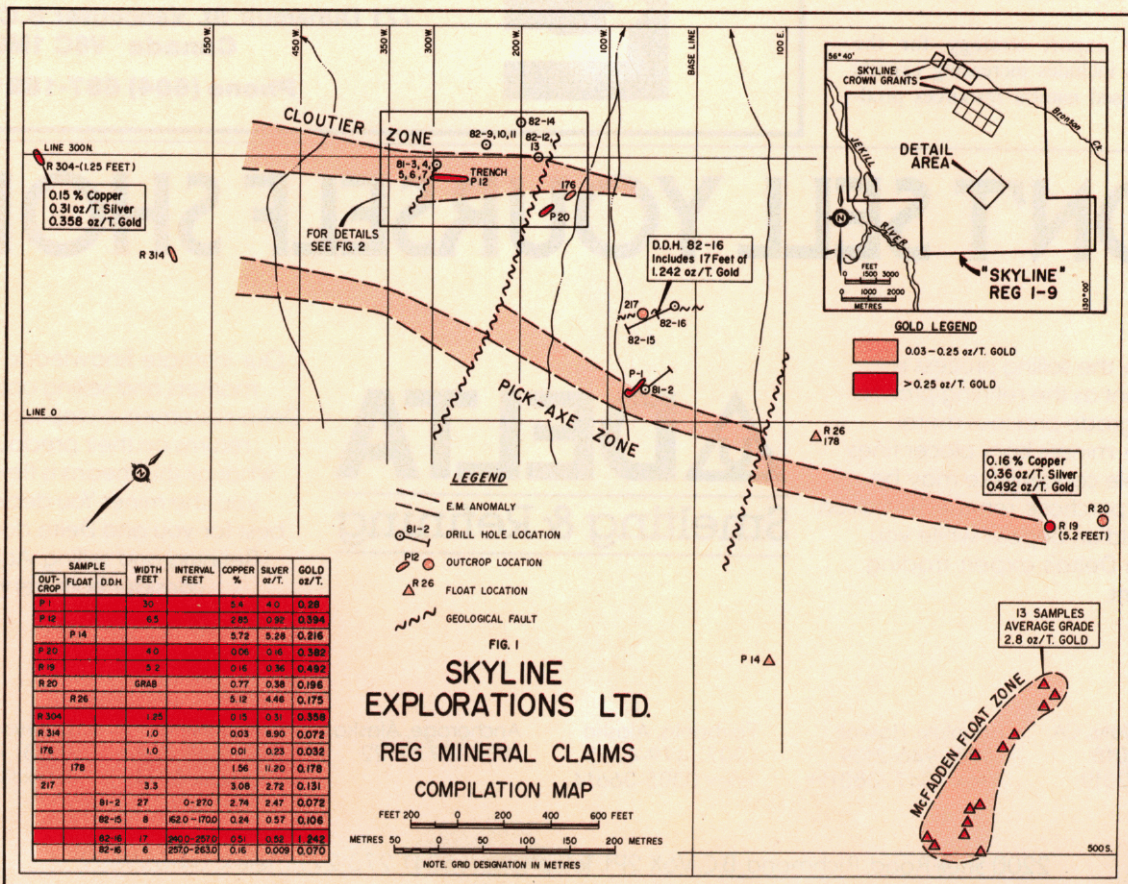
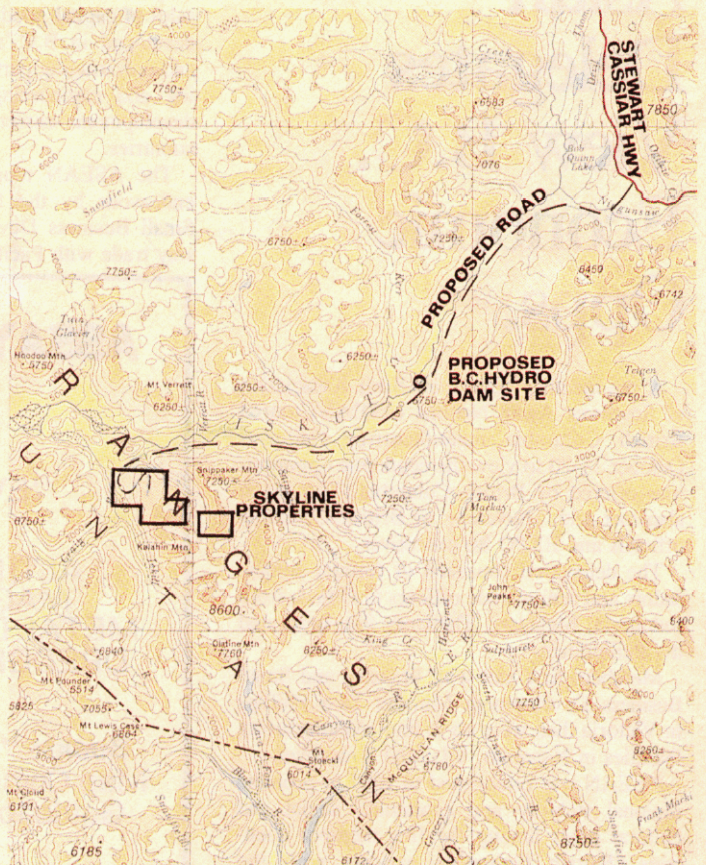
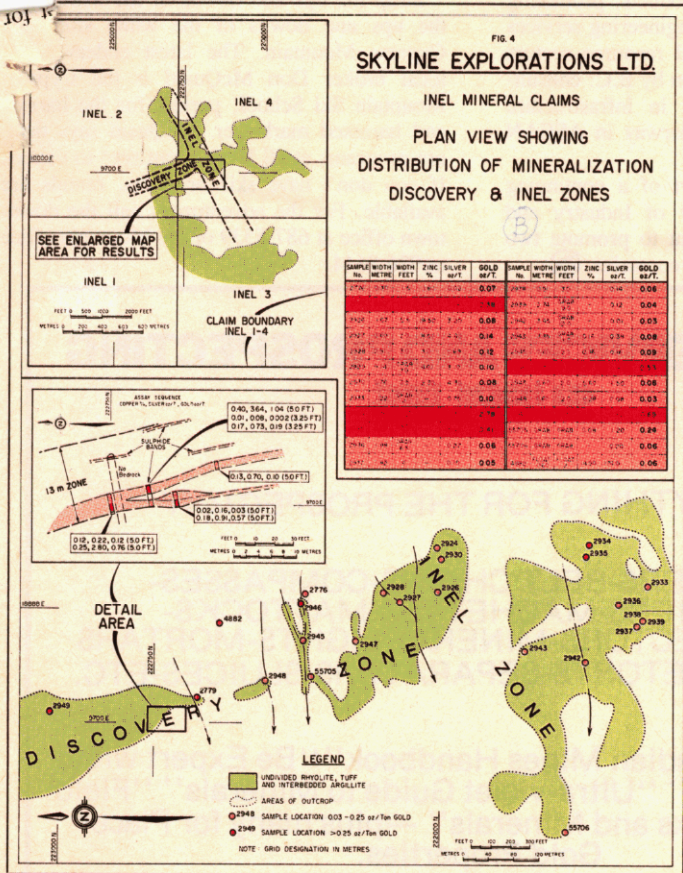
Kindest regards,
M.R. Brown
Editor
The Northern Miner
Toronto

Gentlemen,

I have been searching for a publication giving information on developing precious metal mines. The name of your publication came up. Will you please tell me how I can obtain it and what area it covers?

Sincerely,
Charlie Garrett
Burlington, N.C.

Sample and subscription form on their way.
Ed.



Asian Delegates View B.C. Economic Opps.

A ten-member delegation from Association of Southeast Asian Nations (ASEAN) toured British Columbia manufacturing facilities October 17-20 to view the economic opportunities offered by British Columbia. The group also met with University of British Columbia officials and EXPO 86 executives.

The delegation consisted of foreign ambassadors and senior trade officers to Ottawa from Indonesia, Malaysia, Thailand, Singapore and the Philippines.

Members first met with Industry and Small Business Development Minister Don Phillips in Victoria then went on to tour manufacturing facilities in Nanaimo, V.I., and Vancouver.

ASEAN was established in 1967 to promote regional stability and economic, social and cultural goals among the five member countries. British Columbia exports with the ASEAN countries have grown steadily during the past decade reaching about \$165 million 1981. B.C. export trade with the ASEAN countries is presently dominated by resource based products.

B.C.'s current export strategy for the ASEAN countries includes increasing exports of partially processed natural resources prod-

ucts; expanding exports of foodstuffs; particularly fresh fruit and fish products; promoting sales of capital goods and engineering services developed in B.C.'s natural resource sectors and encouraging participation by B.C. consulting and engineering firms in infrastructure developments currently underway in ASEAN countries.

The ASEAN tour is part of a continuing endeavour by the Ministry of Industry and Small Business Development to promote two way trade with Pacific Rim countries. ☺

Local Broker Starts Ski School

Swap the ups and downs of the market for the ups and downs of the white slopes of Cypress Mountain. The latest endeavour of local broker Don McQuaid is the Cypress Mountain Ski School, perfect for the harried and harassed marketer. McQuaid says there are programs at all levels from tyro to expert. If you don't have skis or boots, rentals are available. For the adventurous call the downtown office at 687-5539 or the Mountain office at 926-8644.

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Books: "Canadian Mines Handbook" "Be Expert with Map Compass" "Ultra-violet Guide to Minerals" "Field Guide to Rocks and Minerals" —plus many for Placer Gold Properties.



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