

✓ 104P.

BALFOUR MINING LTD.

104P006(5W)

**SECOND SECTION ASSAYS FROM HOLE NO.1 NOW REPORTED** - Balfour Mining Ltd. has reported the assays from the second mineralized section in hole No.1 of the 1976 series on its property at Cassiar, B.C. The zone was previously reported as six feet wide and is in fact 14.5 feet wide, from 208 to 222.5 feet, assaying: gold 0.013 oz. per ton, silver 4.22 oz. per ton, lead 4.01%, zinc 3.63%. The gross value for this section is calculated at \$60.00 per ton. Within this section is a 3 foot section of higher grade material assaying: gold 0.015 oz. gold per ton, 13.23 oz. silver per ton, 11.91% lead, and 9.05% zinc. The gross value of this section is approximately \$170.00 per ton.

Hole No.M-2 was abandoned before reaching the objective owing to broken ground.

Hole No.M-3, drilled to intersect the zone approximately 100 feet west of No.M-1 and No.M-2, has intersected a zone of mineralization more than 50 feet wide, however the grade appears to be lower. Assays will be reported.

BALFOUR MINING LTD.

**CASSIAR PROPERTY RESULTS ENCOURAGING** - A recent report from Balfour Mining Ltd. has stated that the existence of an economically viable silver, lead, zinc ore body has been confirmed by the successful completion of the 1975 development program. The West Zone has an average grade of 9.18 oz. silver per ton, 10.76% lead, 4.77% zinc, and is accessible from the existing adits. The vein was intersected 120 feet below the level by 23 feet of core in a drill hole indicating further exploration is justified. The property has a good potential for plus 1,000,000 tons of mineralization. It is intended to conduct the recommended work.

NO.20(JANUARY 30,1976) + GEORGE CROSS NEWS LETTER LTD.+ TWENTY NINTH YEAR OF PUBLICATION +

104P006(5W) MAGNO

BALFOUR MINING LTD.

**SECOND DRILL HOLE CUTS EXTENSION OF MINERALIZED ZONE** - Balfour Mining Ltd. has reported that at the silver-lead-zinc property near Cassiar, B.C., diamond drill hole No.2, drilled from underground to intersect the vein east of the company's successful No.1 hole, has been completed and assayed as follows: silver, 5.26 oz./ton, lead, 6.15%, and zinc, 3.33%. These assays are across a 20 foot section, from 95 feet - 115 feet. Included in this is a 7 foot section assaying 11.27 oz./ton silver, 13.56% lead and 4.56% zinc. Hole No.1 and No.2 tested the zone toward the east from previous exploration work.

Diamond drill hole No.3 is designed to test the vein structure below the level of the first two holes. Successful completion of this hole will add considerably to the tonnage potential.

Continental Securities Corporation (1971) Ltd. has exercised its option to purchase 200,000 shares of Balfour Mining at 22½¢ which was due 8Dec75.

BALFOUR MINING LTD.

**GOOD GRADE INTERSECTIONS FROM FIRST TWO DRILL HOLES** - No.1 diamond drill hole on the Balfour Mining Ltd. property at Cassiar, B.C. cut 19 feet from 113 ft. to 132 feet assaying .065 oz. gold per ton, 2.55 oz. silver per ton, 2.7% lead, 7.67% zinc for a gross value of \$80.00 per ton. Included in this is a 5.5 foot section of higher grade material from 120.5 ft. to 126 feet a 5.5 foot section assaying: .17 oz. gold per ton, 3.21 oz. silver per ton, 3.22% lead, 23.77% zinc, having a gross value in excess of \$210 per ton. An additional section of mineralization was encountered between 208 ft. and 222.5 feet before the hole was completed at 241 feet. Assays from this section will be available shortly. Resumption in trading in shares of Balfour Mining is expected in the next few days.

NO.115(JUNE 16,1976) Owned, published and copyrighted by George Cross News Letter Ltd.

104P006(5W) MAGNO

JUNE 17, 1976

BALFOUR MINING LTD.

COMPANY INTEREST IN - In a 11Jun76 letter, Balfour Mining reviewed its interest and  
CASSIAR CLAIMS REVIEWED development of the Cassiar property. In May 1975, at a time when  
mining activity in B.C. was at its lowest ebb, Balfour Mining  
acquired an option for an 80% interest in a known silver, lead, zinc property at Cassiar, B.C.,  
because the directors felt there would be imminent favourable alterations to the Mining Act.

With the help of Gold Hawk Mines Ltd., the initial engineering and research of past  
development on the property was completed. The company engineer recommended a limited drill  
program.

Financing for an initial program was completed in September 1975, (200,000 shares at 17½¢  
firm and 200,000 option at 22½¢) and the work was done during October and November. The option  
to the underwriting was exercised and purchased by Vanir Enterprises Ltd. The shares were  
deposited with the Trust Company to be held for a period of six months. None of these shares  
has been sold.

In December 1975, a full report from the company engineer outlining all the known data  
on the property, recommended a further drill and development program to cost approximately  
\$150,000.

In a 2Feb76 report, V.Cukor, P.Eng., stated that, in previous work on the West Zone  
of the property, a total of 102,000 tons of probable, possible ore reserves was develop-  
ed by two adits and a number of surface and underground diamond drill holes in Blocks  
A, B, C, D, and E.

The first priority in this area should be the upgrading of the reserves of Blocks  
D and E, which added to Blocks A and B are expected to total 60,000 tons of proven,  
probable reserves above the 4850 foot adit. Systematic bulldozer trenching, sampling  
and also approximately 800 feet of B.Q. surface drilling should provide the necessary  
information. If proven by the trenching that the ore zone extends additional drill-  
ing will be required in such areas.

Most of the proposed 1200 feet of underground drilling will be used in the Block  
C area to define the easterly limit of ore and to explore its westerly extent in pre-  
paration for the future continuation of the 4850 foot adit. Testing the downward  
extension of this block will be possible after extending north crosscuts in the 4850  
foot adit for an additional 20 feet - 30 feet.

In the East Zone a drill program in 1969 indicated the presence of approximately  
164,000 tons grading 5.6 oz./ton silver, 5.7% lead and 2.5% zinc. The reserves were  
calculated only to approximately 100 feet down and it is expected that ore shoots con-  
tinue for at least another 100 feet to double the tonnage.

By past experience in the West Zone, the grades of ore obtained by direct sampl-  
ing in underground openings averaged at least 30% - 50% higher than those obtained by  
the diamond drilling in the same areas. If this rule applies, a minimum of 300,000  
tons should be expected in the East Zone, averaging at least 7.0 oz./ton silver, 7%  
lead and 3% - 4% zinc.

About 1500 feet of B.Q. surface diamond drilling will be applied to reach the  
deeper part of the zone in an attempt to prove the persistence of the mineralization  
at depth.

In the recommended program, provision is made for detailed geological mapping,  
fill-in magnetometer survey and geochemistry for the intermediate part of the zone  
between the East and West Zones.

In this year's budget for exploration, \$10,000 is provided for metallurgical  
testing of ore samples.

During the first months of 1976, George Levy, a director of Balfour Mining Ltd., made  
several trips to Toronto to negotiate possible financing. These efforts culminated with George  
Levy and Vladimir Cukor, the company engineer, travelling to Toronto to outline in detail the  
potential of the property to an interested group. In April 1976, the agreement in principle  
for the financing was announced. Throughout this period, the directors provided the necessary  
funds for the company's operations.

In May 1976, the financing agreement was finalized. It consisted of a \$240,000, 9%  
3 year debenture, convertible into common shares at 60¢ per share, and 400,000 warrants exer-  
cisable at 90¢ per share, subject to shareholder approval. All shares acquired under this  
agreement must be held for one year.

To attract this type of financing, the directors were requested to gift back to the com-  
pany all unissued escrow shs., 525,000. The net result of the financing and the cancellation  
is, therefore, only 275,000 additional shs. for \$600,000, at a time when Balfour Mining was  
trading in the 60¢ range. The advantages of this type of financing are obvious. If the first  
stage of the program, \$150,000 is successful, there will be, if the warrants are exercised, an  
additional \$360,000 available to the company so that the program may be continued without  
interruption.

The Vancouver Stock Exchange was advised on 9Jun76 that the first drill hole of the pro-  
gram was completed and that two separate mineralized zones of 20 feet and 6 feet respectively  
had been encountered. (See GCNL NO.115, page 1 for assay results from first section of the  
core).

104P006-Ma920



N.M.

July 17/75

p. 28

## Gold Hawk buys interest in B.C. silver project

Gold Hawk Mines has taken a 15% interest in an option to acquire an 80% interest in a silver-lead-zinc prospect in the Cassiar area of B.C. Balfour Mining holds the remaining 85% interest in the option.

In earlier work about 14,000 ft. diamond drilling and 1,714 ft. of development work on two levels had indicated 365,500 tons averaging approximately 6.0 oz. silver per ton and 10% combined lead-zinc.

Balfour's engineers have recommended additional work on several known targets.

Northern Homestake Mines' option on Gold Hawk's property in Dasserat Twp., Northwestern Quebec, has been dropped.

Elected directors of Gold Hawk at the recent annual meeting were: George Levy, president; Marianne Kyme, secretary-treasurer; Harl Varnerus; Vivian Robinette; and Charles Robbins.

104 P 2

N.M. Sept. 4, 1975 p. 24

## Balfour to drill B.C. silver property

Balfour Mining is calling for tenders on the drilling required for an underground program on its 85% owned silver property at Cassiar, B.C. The work is expected to commence shortly.

Gold Hawk Mines holds a 15% interest in the property where last month underground inspection and sampling of the tunnels were completed. Assays of the channel samples, taken during this examination, are as follows:

Sample No. 1, across 23 ft., 18.74 oz./silver, 21.74% lead, 4.95% zinc; sample No. 2, across 21 ft., 16.47

oz./silver, 19.28% lead, 4.90% zinc; sample No. 3, across 7½ ft., 23.70 oz./silver, 24.40% lead, 8.00% zinc; sample No. 4, across 7 ft., 15.59 oz./silver, 20.58% lead, 5.43% zinc.

The average price of the ore sampled is in excess of \$180 per ton, (basing silver at \$4.50 per oz., lead at 15¢ per lb., and zinc at 30¢ per lb., all prices being below current market value).

Sample No. 4 was taken in the face of No. 2 tunnel. This leaves the zones open both to the east, to the west, and at depth.

GCNL 187 Sept 30/75

Balfour Mining Ltd., by paying \$5,000 and spending \$100,000 on the Magno claims in Liard mining division, B.C., could earn 80% interest in this property which is about 100 road miles SW of Watson Lake and is accessible by 3 miles of truck road from Cassiar. Balfour plan to use part of the funds from the underwriting and option agreement noted in GCNL 186(75) to carry out recommendations of P.H. Sevensma, Ph.D., P.Eng., 4Jun75. The purpose of the field program is to prepare a surface and underground drill program after consideration of all the known and potential targets on the claims. Dr. Sevensma says the six claims cover a silver-lead-zinc magnetite vein zone up to 15 feet wide cutting the Lower Cambrian Atan marbleized limestones from near their contact with the underlying Atan quartzites to their top under the Kochika argillites in Marble Creek basin. He says the Lower Cambrian contains many significant (silver)-lead-zinc deposits throughout northern B.C. and Yukon. Other mineral occurrences are known on the Magno claims, i.e. high lead soil anomalies and additional silver-lead bearing magnetite float. He notes that, in 1971, a total of 1714 feet of underground development was driven on two levels, proving the persistence of the mineralization at depth. A total of 101,500 tons of probable and possible reserves grading 9.8 ounces silver per ton, 12.0% lead and 4.3% zinc have been developed by underground work and an additional 264,000 tons grading 4.2 oz. silver p/ton, 4.2% lead and 4.1% zinc are indicated by surface drilling to a depth of about 200 feet. He advises a \$25,000 program to prepare for subsequent further development by drilling and underground development.

MS 104/P

1

GCNL 186 SEPT. 29/75  
Balfour Mining Ltd. president H. Vannerus has reported with the proceeds from an underwriting of 200,000 shares at 17½¢ the company is now advancing on the initial stage of the program designed to explore and develop the silver, lead, zinc prospect at Cassiar, B.C. Underground diamond drilling is expected to start in the next few days. The program is designed to confirm and explore for extensions to known ore reserves.

M. Insp. Rpt. Sept/75. J.R. Henderson Pr. George  
1) Balfour Mining Ltd. (N.P.L.) propose an underground drilling program at the Coast Silver Mines property 2 miles south of Cassiar. during Oct. 1975.

BALFOUR MINING LTD.

ASSAYS OF DRILL CORE FROM CASSIAR, B.C. - Further to the item in GCNL 187(75) regarding the SILVER-LEAD-ZINC CLAIMS EXPECTED SOON Magno claims near Cassiar, B.C., Balfour Mining Ltd. has issued a report which shows its interest in this silver-lead-zinc property to be 85% and that of Gold Hawk Mines Ltd. to be 15%. The current report says that all water lines, air lines and drill stations are ready for an immediate start on the diamond drilling program recommended by P.H. Sevensma, Ph.D., P.Eng. The property is only two miles from Cassiar.

The current program is to determine targets for further development and to confirm the extension of the previously outlined reserves.

While present work is concentrated on the West Zone, surface exploration and selected surface sampling done in an area on the line of strike and about one-half mile to the east of the current drill area, indicated an exciting additional zone which will be referred to in future bulletins as the East Zone.

FOR THE RECORD

Beach Gold Mines Ltd. president R.W. Hughes reports completion of this season's field work on the Ura uranium property near the Whitehorse Dawson City road, Yukon. Five holes were drilled to test two uranium anomalies. Scintillometer testing of the core yielded low results. Core samples are in for chemical assay.

NO. 200 (OCTOBER 20, 1975) + GEORGE CROSS NEWS LETTER LTD. + TWENTY-EIGHTH YEAR OF PUBLICATION +

104 P/5W

M. # 104 P-6

Sally Queen  
"Graham"

GEORGE CROSS NEWS LETTER LTD. NO. 211 (1975)

(Page Three)

NOVEMBER 4, 1975

FOR THE RECORD

Balfour Mining Ltd. report assay results from the first hole of the underground diamond drilling program now in progress on their Cassiar, B.C. property show that a 15 foot section from 98 to 113 feet averaged 8.82 ounces of silver per ton, 11.27% lead and 3.44% zinc. Within this vein, a five foot section assayed 18.28 oz. silver per ton, 22.92% lead and 5.69% zinc.

GCNL #225 NOV. 25/75

SECOND DRILL HOLE CUTS  
EXTENSION OF MINERALIZED ZONE

BALFOUR MINING LTD.

- Balfour Mining Ltd. has reported that at the silver-lead-zinc property near Cassiar, B.C., diamond drill hole No. 2, drilled from underground to intersect the vein east of the company's successful No. 1 hole, has been completed and assayed as follows: silver, 5.26 oz./ton, lead, 6.15%, and zinc, 3.33%. These assays are across a 20 foot section, from 95 feet - 115 feet. Included in this is a 7 foot section assaying 11.27 oz./ton silver, 13.56% lead and 4.56% zinc. Hole No. 1 and No. 2 tested the zone toward the east from previous exploration work.

Diamond drill hole No. 3 is designed to test the vein structure below the level of the first two holes. Successful completion of this hole will add considerably to the tonnage potential.

Continental Securities Corporation (1971) Ltd. has exercised its option to purchase 200,000 shares of Balfour Mining at 22½¢ which was due 8 Dec 75.

M. # 104 P-6

2



BALFOUR MINING LTD.

MORE DRILLING RESULTS - Balfour Mining Ltd. report assays respecting two diamond drill holes on their Magno claims, a silver-lead-zinc property near Cassiar, B.C.

104 P

Hole Number	Intersection Feet	Footage	Gold	Silver	Lead	Zinc	Comment
E5-M10	267.0-280.0	13 ft.	0.026 oz/t	6.33 oz/t	6.14%	4.65%	Previously reported as drilled in East Zone but without identifying drill hole number (GCNL 132(76) refers)
E6-M9*	92.5- 93.5	1 ft.	0.015 oz/t	47.16 oz/t	37.83%	5.04%	Drilled from the #2 site on the East Zone.
	205.0-213.0	8 ft.	0.010 oz/t	2.92 oz/t	3.87%	0.52%	
	266.0-271.0	5 ft.	0.004 oz/t	5.98 oz/t	6.58%	1.51%	

\* Previous engineers reports have made note of the massive high-silver galena occurrences found on surface in blocks 2 to 3 feet across.

Previous experience has shown that underground development on this property has increased ore values 30% or more.

BALFOUR MINING LTD.

104 P/G - Silver Queen, Graham

DEBENTURE FINANCING - Balfour Mining Ltd. and 80195 Canada Ltd. have agreed to extend the POSTPONED YET AGAIN closing for completion of a previously agreed debenture financing of GCNL #155, Aug 13<sup>th</sup>, 1976. Balfour until the present investigation by the R.C.M.P. has been resolved to the satisfaction of all parties. The previous extension from 3 July to 11 Aug/76 noted in GCNL 149(76) was agreed upon presuming the investigation would be completed by now.

Balfour has received advances totalling \$99,000 since the debenture financing agreement was originally approved.

By the original agreement and mutual consent Balfour will engage in a financing agreement to provide funds to continue the program currently underway on the lead, silver, zinc property at Cassiar, B.C.

Britton Research in Vancouver have been retained to conduct a metallurgical study of ore samples to be sent down from the property at once.

Balfour's directors are Harold Vannerus, president; Marianne Kyme, sec.treas.; Harold Davy and Geo. Levy.

As at 23 July 76, 2,715,505 shares were outstanding. The largest beneficial shareholders were Argyle Industries Ltd. with 350,000 shares and Vanir Enterprises Ltd. with 200,000. Directors of Argyle and principals of Vanir are Ms. Kyme and Messrs. Vannerus and Levy.

Working capital was about \$102,493 at 30 Jun 76.

NEWCOAST SILVER MINES LTD.

file over 8

ANNUAL MEETING - The annual meeting of NewCoast Silver Mines Ltd. will be held on 8 Aug 78 MATERIAL REVIEWED at 2 p.m. in Georgia Hotel, Vancouver. Nominees for election as directors are now serving: Marianne Kyme, president; George Levy, vice-president and Harold Vannerus, secretary. They own no shares directly but they comprise the shareholders of Vanir Enterprises Ltd. which owns 713,000 shares of which 637,500 are in escrow and the balance are free trading shares.

Ms. Kyme reports that, during the past year, NewCoast have endeavored to maintain a cash position and at the same time complete the necessary exploratory work on their mineral claims. The company bought several major pieces of equipment and rented them to junior exploration companies. As of 1 Jul 78, rental income was \$7,300 per month.

Concerning NewCoast's mineral properties, Ms. Kyme notes that the Magno claims at Cassiar, B.C., have been sold to International Balfour Resources Ltd. with NewCoast retaining a 20% interest. Balfour has the option to buy the 20% interest for \$100,000.

Also, in the Cassiar area, the Nora claims, purchased for 150,000 shares from John Schussler and the NA, K and MC claims, staked by the company, are adjacent to the Nu-Energy Development Corp. mine now being readied for production. Nu-Energy has optioned this property of NewCoast and the next payment is due January 1979. Drilling results have been favorable and further exploration will be completed by Nu-Energy.

7

N. MINER DEC 4/75 P.20

**Balfour drill cuts ore**

NTS 104 P/SW

VANCOUVER - Hole No. 2, drilled underground on the Cassiar, B.C., property of Balfour Mines to intersect the vein east of Hole No. 1 (N.M.L. Nov. 6, 1975), returned 20 ft. of 5.26 oz. silver per ton, 6.15% lead and 3.33% zinc from 95-115 ft., the company reports. Included is a 7-ft. section of 11.27 oz. silver per ton, 13.56% lead and 4.56% zinc. The third hole is directed to test the vein structure below the level of the first two holes.

NEXT PHASE OF WORK TO BE IN THE WEST ZONE OF THE CASSIAR PROPERTY

A July 6, 1976, progress report from Balfour Mining Ltd. states that the first phase of work on the East Zone of the silver-lead-zinc property near Cassiar, B.C. has now been completed. The work on the East zone was located approximately 2,500 feet east of the area of the successful 1975 program. The purpose of the drilling was to explore a high magnetic anomaly associated with showings of sphalerite-galena mineralization.

# 130, July 8<sup>th</sup>, 1976

On the most easterly section, four holes were drilled from one station. One of the holes was abandoned because of broken ground. Of the three completed, two holes encountered sections of mineralization ranging from marginal to very good grade. The widths of the sections were greater than anticipated. (See GCNL No. 115, 116, 119 and 128 for assay details, background information and recent financing)

The unexpectedly high zinc assays indicate a change in the characteristics of the mineralized zone as compared to the West zone, that requires further investigation. Final assessment and the nature of the follow-up work will be determined after all assays have been received and studied and all holes surveyed.

An additional three holes were drilled from a 250-foot stepout to the east. Mineralization was encountered in this area also. The airline strike has delayed these results.

The next phase of the program involves drilling anomalous areas in the West zone. Results will determine the extent of increased reserves in this area.

BALFOUR MINING LTD.

FIRST HOLE COMPLETE - Balfour Mining Ltd. in a 9 Jun 76 news release stated that the company's engineer, V. Cukor, reported the first hole of the 1976 diamond drill program on the silver, lead, zinc property at Cassiar, B.C., has now been completed. Drilling commenced on the far eastern zone of the property, approximately 2,500 feet from the site of last year's successful program.

Two separate mineralized zones of 20 feet and 6 feet respectively were encountered. Details are not available. The depth from surface is approximately 200 feet.

After splitting and logging of the core, it will then be sent to Vancouver for assay.

104 P

BALFOUR MINING LTD.

ADDITIONAL DRILL RESULTS - Balfour Mining Ltd. has reported first assay results from the GCNL #132, July 12<sup>th</sup>, 1976 drilling from the station 250 feet east of the earlier 1976 holes in the East Zone of the silver-lead-zinc property located 7 miles northeast of Cassiar, B.C.

The target zone was entered, as expected, at 246 feet. The 13 feet from 267 to 280 feet assayed: 0.026 oz. gold per ton, 6.33 oz. silver per ton, 6.14% lead, 4.65% zinc.

Within this section there was a 4 foot section assaying: 0.044 oz. gold per ton, 10.20 oz. silver per ton, 9.14% lead, 9.84% zinc.

Drilling of the West Zone is now underway.

BALFOUR MINING LTD.

NTS 104 P

SECOND SECTION ASSAYS FROM HOLE NO.1 NOW REPORTED - Balfour Mining Ltd. has reported the assays from the second mineralized section in hole No.1 of the 1976 series on its property at Cassiar, B.C. The zone was previously reported as

GCNL #119 (1976) June 22<sup>nd</sup> six feet wide and is in fact 14.5 feet wide, from 208 to 222.5 feet, assaying: gold 0.013 oz. per ton, silver 4.22 oz. per ton, lead 4.01%, zinc 3.63%. The gross value for this section is calculated at \$60.00 per ton. Within this section is a 3 foot section of higher grade material assaying: gold 0.015 oz. gold per ton, 13.23 oz. silver per ton, 11.91% lead, and 9.05% zinc. The gross value of this section is approximately \$170.00 per ton.

Hole No.M-2 was abandoned before reaching the objective owing to broken ground.

Hole No.M-3, drilled to intersect the zone approximately 100 feet west of No.M-1 and No.M-2, has intersected a zone of mineralization more than 50 feet wide, however the grade appears to be lower. Assays will be reported.

NTS 104 P

N. Miner June 24<sup>th</sup>, 76

**Balfour Mining first drill hole returns values**

VANCOUVER - The first diamond drill hole of the current campaign has been completed at a depth of 241 ft. on the silver-lead-zinc prospect of Balfour Mining at Cassiar, B.C. It cut 19 ft. from 113-132 ft. of 0.065 oz. gold and 2.55 oz. silver per ton, 2.70% lead and 7.67% zinc the company reports. Included is 5.5 ft from 120.5-126 ft. of 0.17 oz. gold and 3.21 oz. silver per ton, 3.22% lead and 23.77% zinc.

Assays have yet to be received on a mineralized section from 208-22.5 ft.

The work is being continued under the direction of V. Cukor.

NTS 104 P

BALFOUR MINING LTD.

DRILLING TO START - Vladimir Cukor, engineer for Balfour Mining Ltd., has reported that weather FOLLOWING DELAY conditions at the company property in the Cassiar, B.C. district are not favourable. However, the roads have been cleared and the drill equipment has been moved up to the site. It is expected that the first surface diamond drilling on the East Zone will be in progress within a few days.

GCNL #108 June 7th, 1976.

BALFOUR MINING LTD.

GOOD GRADE INTERSECTIONS - No.1 diamond drill hole on the Balfour Mining Ltd. property at FROM FIRST TWO DRILL HOLES Cassiar, B.C. cut 19 feet from 113 ft. to 132 feet assaying .065 oz. gold per ton, 2.55 oz. silver per ton, 2.7% lead, 7.67% zinc for a gross value of \$80.00 per ton. Included in this is a 5.5 foot section of higher grade material from 120.5 ft. to 126 feet a 5.5 foot section assaying: .17 oz. gold per ton, 3.21 oz. silver per ton, 3.22% lead, 23.77% zinc, having a gross value in excess of \$210 per ton. An additional section of mineralization was encountered between 208 ft. and 222.5 feet before the hole was completed at 241 feet. Assays from this section will be available shortly. Resumption in trading in shares of Balfour Mining is expected in the next few days.

GCNL #115 (1976) JUNE 16th

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NTS 104 P

4

N. Miner. May 20/76. 104 P/6

## Balfour obtains financing drilling to commence soon

VANCOUVER - Balfour Mining's filing of a \$240,000, 9% convertible debenture maturing in three years has been accepted by the Vancouver Stock Exchange. The funds will be used to continue development of the silver-lead-zinc property near Cassiar, B.C., held by Balfour (85%) and Gold Hawk Mines (15%) (N.M., Jan. 22, 1976).

The debenture, which will have to be approved by shareholders and the Superintendent of Brokers, is privately placed under a letter of investment and is convertible at 60¢ per share over three years. Director George Levy states.

Also issued to the purchaser are 400,000 warrants under a one year letter of investment, exercisable at 90¢ per share. This would net the company an additional \$360,000 if all warrants were exercised.

A drilling contract has been awarded, and men and equipment are now being mobilized, said Mr. Levy. The previously recommended 3,500 ft. of combined surface and underground drilling has been upped to 5,000 ft. due to the favorable financing.

Probable reserves have been placed thus far by the consulting geologist as 20,500 tons of 13.68 oz. silver per ton, 15.24% lead and 6.14% zinc in Block A; 9,500 tons of 11.44 oz. silver per ton, 12.97% lead and 3.44% zinc in Block B; and 42,500 tons of 6.5 oz. silver per ton, 8.14% lead and 4.4% zinc in Block C. All three blocks are in the west zone.

The consultant placed potential tonnage at 486,000 tons, made up of probable reserves, possible reserves and geologically inferred potential.