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CARIBOO-BELL COPPER MINES LIMITED

**7th ANNUAL REPORT
1972**

CARIBOO-BELL COPPER MINES LIMITED

(Incorporated under the Laws of the Province of British Columbia)

Authorized Capital:

3,000,000 shares without nominal or par value

DIRECTORS

W.R. BERGEY West Vancouver, B.C.
SIR MICHAEL BUTLER, Bt. Q.C. North Saanich, B.C.
R.E. HALLBAUER West Vancouver, B.C.
N.B. KEEVIL, Jr. Vancouver, B.C.
J.D. MUNROE West Vancouver, B.C.
R.W. WILSON North Vancouver, B.C.

OFFICERS

N.B. KEEVIL Jr. President
W.R. BERGEY Vice-President
R.E. HALLBAUER Vice-President
J.D. MUNROE Secretary-Treasurer

AUDITORS

PRICE WATERHOUSE & CO. Vancouver, B.C.

SOLICITORS

FARRIS, VAUGHAN, WILLS & MURPHY Vancouver, B.C.

TRANSFER AGENTS

THE CANADA TRUST COMPANY Vancouver, B.C.
and Toronto, Ont.

BANKERS

CANADIAN IMPERIAL BANK OF COMMERCE Vancouver, B.C.

REGISTERED OFFICE

700 – 1177 WEST HASTINGS STREET, VANCOUVER 1, B.C.

ANNUAL MEETING

The Annual General Meeting of the Shareholders of Cariboo-Bell Copper Mines Limited will be held on Friday, June 29, 1973, in the Queen Anne Room, Hotel Georgia, Vancouver, B.C., at 9:30 in the morning (Vancouver time).

CARIBOO-BELL COPPER MINES LIMITED

REPORT OF THE DIRECTORS

To the Shareholders:

Your Directors submit herewith the Annual Report of the Company, together with financial statements for the year ended December 31, 1972.

A percussion drilling programme was carried out during 1972 to test several pronounced copper geochemical anomalies. A total of 4185 feet of drilling was completed in 17 holes. No significant new mineralized zones were encountered.

A re-evaluation of drill-indicated reserves was carried out during the year. This study showed approximately 28 million tons of material available for open-pit mining at a grade of 0.49% copper and 0.025 ounces per ton in gold. At present prices the gold content represents a significant contribution to the economic potential of the property. It is planned to do further percussion drilling in the vicinity of the known mineralization.

Some metallurgical test work was done in an attempt to achieve adequate recoveries on oxide ore. Results were encouraging but further evaluation will be required before any definite conclusions can be reached.

On behalf of the Board,



N.B. Keevil, Jr.
President

Vancouver, B.C.
June 1, 1973

Price Waterhouse & Co.

chartered accountants

1075 West Georgia Street Vancouver 5 B.C. (604) 682-4711 Telex 04-507740

March 2, 1973

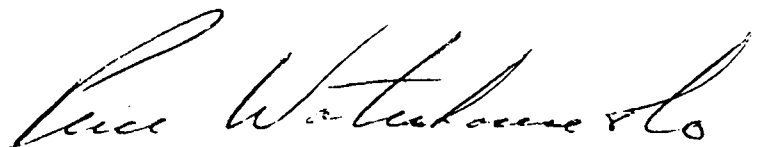
AUDITORS' REPORT

To the Shareholders of
Cariboo-Bell Copper Mines Limited:

We have examined the balance sheet of Cariboo-Bell Copper Mines Limited as at December 31, 1972 and the statements of deferred exploration and administration expenses and source and application of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

The ultimate value of the company's mineral claims and exploration expenses thereon is not known at the present time and any determination of such value is dependent upon future development work.

In our opinion, subject to the final determination of the matter referred to in the preceding paragraph, these financial statements present fairly the financial position of the company as at December 31, 1972 and the costs of its exploration activities and the source and application of its funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.




Chartered Accountants

CARIBOO-BELL COPPER MINES LIMITED

BALANCE SHEET

	December 31	
ASSETS	1972	1971
Cash	\$ 1,923	\$ 6,885
Equipment, at cost	5,168	15,417
Mineral claims, at cost, measured by the issue of 750,000 shares and \$50,000 cash	800,000	800,000
Deferred exploration and administration expenses - per statement attached	1,250,485	1,202,479
Incorporation and organization expense	2,812	2,812
	\$2,060,388	\$2,027,593
LIABILITIES		
Accounts payable	\$ 4,883	\$ 88
SHAREHOLDERS' EQUITY		
Share capital (Note):		
Authorized-		
3,000,000 shares without nominal or par value		
Issued and fully paid-		
	Shares	
For cash	1,396,672	\$977,505
For exploration expenses (37,333 shares at 75¢ per share issued during 1972)	37,333	28,000
For mineral claims	750,000	750,000
	2,184,005	
Contributed surplus	300,000	300,000
	2,055,505	2,027,505
	\$2,060,388	\$2,027,593

APPROVED ON BEHALF OF THE BOARD:

 Director

 Director

CARIBOO-BELL COPPER MINES LIMITED

STATEMENT OF DEFERRED EXPLORATION AND ADMINISTRATION EXPENSES YEAR ENDED DECEMBER 31, 1972

	<u>Balance as at</u> <u>December 31</u> <u>1971</u>	<u>Expenditures</u> <u>during year</u>	<u>Balance as at</u> <u>December 31</u> <u>1972</u>
Exploration expenses:			
Diamond and percussion drilling	\$ 472,479	\$ 12,070	\$ 484,549
Drill roads and site preparation	21,921	1,929	23,850
Trenching	17,294	-	17,294
Sampling and assaying	47,800	4,207	52,007
Metallurgy	17,895	95	17,990
Prospecting	22,483	-	22,483
Engineering and geology	154,182	16,716	170,898
Temporary buildings	26,891	-	26,891
Freight	15,227	-	15,227
Road	20,487	-	20,487
Camp operations	86,511	-	86,511
Mine general	173,704	9,329	183,033
Water lines	7,307	-	7,307
	<u>1,084,181</u>	<u>44,346</u>	<u>1,128,527</u>
Administration expenses	<u>130,722</u>	<u>3,660</u>	<u>134,382</u>
	<u>1,214,903</u>	<u>48,006</u>	<u>1,262,909</u>
Deduct: Interest on investments	<u>12,424</u>	<u>-</u>	<u>12,424</u>
	<u><u>\$1,202,479</u></u>	<u><u>\$ 48,006</u></u>	<u><u>\$1,250,485</u></u>

CARIBOO-BELL COPPER MINES LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

	Year ended December 31	
	1972	1971
Source of funds:		
Proceeds from issue of shares	\$28,000	\$40,000
Sale of equipment	2,531	700
	30,531	40,700
Application of funds:		
Exploration and administration expenses	48,006	9,789
Deduct:		
Charges not involving disbursement of funds-		
Loss on sale of equipment	8,960	229
	39,046	9,560
Repayment of advance from Teck Corporation Limited	-	25,000
Purchase of equipment	1,242	-
	40,288	34,560
Increase (decrease) in working capital	(9,757)	6,140
Working capital at beginning of year	6,797	657
Working capital (deficiency) at end of year	\$(2,960)	\$ 6,797

Under the terms of an agreement dated June 29, 1971 between the company and Teck Corporation Limited, 80,000 treasury shares were issued in 1971 to the latter company at 50¢ per share. Teck Corporation Limited has been given an exclusive right to conduct additional work on the company's properties until December 31, 1973 and to apply the cost of such work to the acquisition of further treasury shares at 75¢ per share up to a maximum of 200,000 shares. During 1972, 37,333 of these shares were issued to Teck Corporation Limited for a consideration of \$28,000.

