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NORTHSTAR COPPER MINES LTD.

1214 Eastview Rd.
North Vancouver, B.C.

988-4944

in
*Call fast
next week
(Monday)*

February 22, 1972

Your Directors have decided to continue the very successful development program on Northstar. The price of copper appears stable, and has been rising. The PGE line running within 15 miles of our property has proceeded rapidly with the Federal Government joining in with this venture.

The money raised will be used to extend one ore zone, which so far contains proven and probable ore of 1,200,000 tons of 2% copper. Important drill intersections on this structure were 44 ft. of 1.4% Cu, 48 ft. of 1.7% Cu, 16 ft. of 2% Cu, 6 ft. of 4.3% Cu, 36 ft. of 1.5% Cu and 26 ft. of 2.9% Cu, with silver as a sweetener. Surface trenching exposed 26 ft. of 2.6% Cu and 20 ft. of 13.3% Cu on this zone. Another zone some 2,000 ft. away exposed 20 ft. of 2.6% Cu. We expect to extend this zone and begin work on other potential known mineralized areas.

Due to the thin stock position with 1,347,105 issued shares but 712,500 escrowed leaving only 634,605 marketable shares, and the excellent drill intersections, our stock hit highs of \$3.00, \$3.00 and \$2.00 during the seasons we were actively working.

It has been thereby proposed by your Directors to first offer shares to our present shareholders at .50¢ share, par value, to continue our development program.

The trading suspension, which was due to lack of funds, should be lifted shortly, after we have finances to pursue our program.

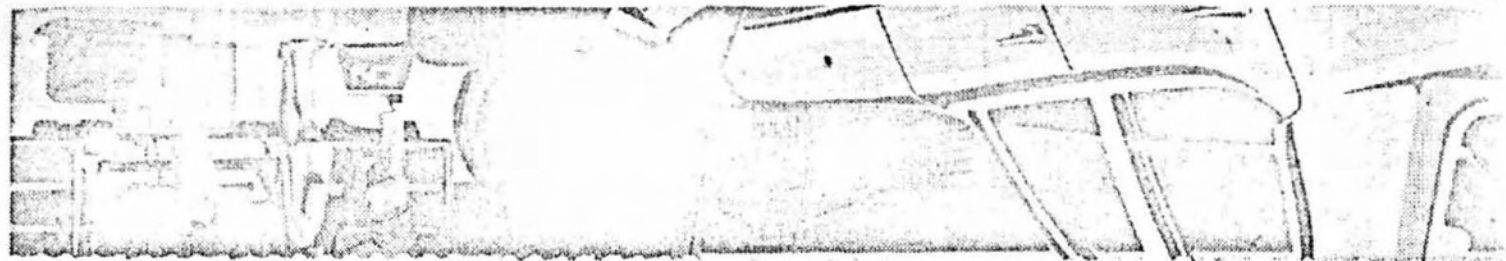
We are extremely optimistic about recent developments in our area, and the potential of our property.

Yours very truly

*Call stock
comet*
Call Gordon Dickson

Robert M. Tait
President

Make the train once in a while.



Oil and mining reports

Firm gets second gas well

Great Northern Petroleum and Mines Ltd. has completed its second producing gas well in the Westlock field in Alberta. It flowed 2.5 million cubic feet per day.

The company has signed an agreement with the First Indiana Capital Corp. for \$525,000 in financing development in the Sunrise gas field in British Columbia.

The company has an offer from Pan Alberta Gas Ltd. for gas from its Pleasant field.

Great Northern has interests in six fields with proven reserves in three, the company said.

Among its mining interests, the company with Glasgow Mines Ltd. is participating in exploration of a claim group near Kamloops.

Two targets for drill testing have been established at the copper prospect of Tyee Lake Resources Ltd. on the Telkwa River, 30 miles southwest of Smithers.

Firm rapped by premier for layoffs

REGINA (CP) — Premier Allan Blakeney said that Central Canada Potash flouted the law by overproducing at its Colonsay mine and chose to play with the welfare of 120 of their employees.

"They then had the temerity to blame the provincial

In the western target area, a length of 1,000 feet is more or less continuously mineralized. Dr. D. D. Campbell, consulting geologist, stated that the geological setting of the western target area suggests the possibility of a large porphyry copper-type deposit.

The central target area was discovered by soil sampling. This anomaly is about 1,000 feet in length and 400 feet in width. The report stated that the surface size is appreciable enough to indicate the existence of a possible large tonnage deposit.

Northstar Copper Mines Ltd. has signed a "letter of intent" with Bethlehem Copper Corp. Ltd. whereby Bethlehem has agreed to carry out all further exploration and production on Northstar's property 25 miles north of Takla Lake.

For these rights, Bethlehem has agreed to pay Northstar a 25-per-cent royalty from the total net proceeds of any products from the mine.

Bethlehem has also committed to spend at least \$395,000 on development during the next six years.

Granby Mining Co. Ltd. has let a contract for 5,000 feet of percussion drilling in a renewed exploration program on a series of copper-silver-gold claims owned by Lexington Mines Ltd. three miles south of Greenwood.

Lexington negotiated a work-option agreement with Granby whereby Granby will spend at least \$330,000 on exploration over the next four

however, Granby will have the right to exercise its full option which would entail purchasing Lexington's crown grants and mineral leases for a total of \$376,166; a cash payment of \$100,000 to Lexington; and a royalty agreement with Lexington on any future production.

Greenland Exploration Co. Ltd., an Alberta company based in Edmonton, during the past summer carried out a large scale geological study of its petroleum leases in Greenland, managed and supervised by the company. The project was completed at no cost to the company, and preliminary review of data obtained indicated that the company may be in a position to select drillable locations in northern Greenland.

Drug plants boost output

OTTAWA (CP) — The 145 plants engaged in manufacture of drugs and pharmaceuticals in Canada in 1970 produced \$386.8 million in goods, up more than \$31 million from the previous year, a Statistics Canada report said.

The annual report on manufacturers of pharmaceuticals and medicines showed that the number of plants continued to decline, as it has yearly since 1964 when there were 175. However, value of goods has risen steadily from \$207 million.

While awaiting completion of its Pinex Mines Ltd. acquisition, the company undertook jointly with Noranda Mines Ltd., a work program on certain mining properties in Nevada. The results are being tabulated and further information will be forthcoming when available.

IDB APPOINTMENT



E. J. Popil

The Industrial Development Bank, which provides term financing for businesses in Canada, announces the appointment of E. J. Popil as an Assistant Manager of its office in New Westminster.

Prior to this appointment, Mr. Popil was a credit officer in the IDB office at Edmonton.

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