

metals.

The first of the changes was initiated last Monday by lead producers in France followed late in the afternoon of the same day by St. Joe Minerals, a leading producer of lead in the United States.

The new price of St. Joe's virgin lead delivered U.S. destinations is 16.50¢ a lb., an increase of 0.5¢ a lb. on the one pegged last Mar. 1, and equals the highest price ever quoted for the period extending Dec. 15, 1969 to July 7, 1970.

In the field of zinc, Cerro Corp., which markets in U.S. the metal produced by its Peruvian subsidiary, raised its Special High Grade zinc on Tuesday by 2¢ to 25¢ a lb. effective immediately.

Both the increases quite apparently are well supported by a good demand for the metals in the leading industrial countries of the non-Communist world. And, this is

ton, established new highs during the week in review. On Tuesday, cash metal was offered at £219 a metric ton (approximately 24.8¢ a lb.), up £6.75 from a week ago.

Another development, which most likely will exert upward pressure on the LME's zinc price during the coming weeks, is the elimination of contango in the London prices for the first time in several months. A backwardation of £1 a ton appeared on Monday

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property on a royalty deal and its Renabie gold property on a 50-50 profit sharing basis. (The Northern Miner learns that the principal in both deals is the J. P. Sheridan interests of Toronto).

"For several years we have maintained cash reserves adequate to take advantage of opportunities in Canadian mining and this policy will be continued. Without reducing this liquidity, starting two years ago, we have

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Falconbridge confirms major find at Sustut

Falconbridge Nickel Mines has indeed made an "important" find of "several tens of millions of tons with an indicated copper content of just under 1¼%" lying within 300 ft. of surface in the Sustut River Valley in the north-central part of British Columbia.

The announcement by President Marsh Cooper at the company's annual meeting, confirms reports of the find which appeared in The Northern Miner on April 12, 1973.

"While much work involving substantial expenditures remains to be done to assess adequately the potential of this new area, the geological characteristics are favorable and we are greatly encouraged to date," continued Mr. Cooper.

This "significant discovery" is the result of persistent efforts and the expenditure of nearly \$8 million in British Columbia since 1962.

When asked about his feelings on making a major find in Barrett country, Mr. Cooper philosophized that man doesn't have much control over where the good Lord chose for mineral deposits.

The discovery is located about 240 miles northwest of Prince George (see sketch map). Copper mineralization was discovered on a cliff face in the area near the end of the 1971 field season.

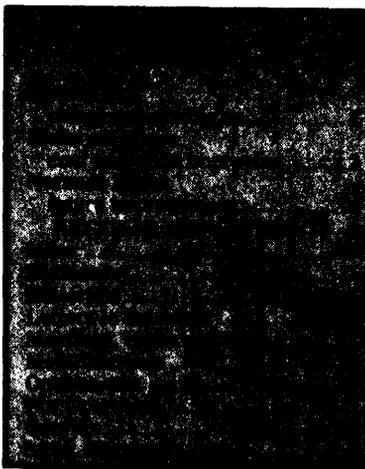
Last year, the area was investi-

gated by detailed prospecting and geological mapping which gave sufficient encouragement to warrant a large-scale drilling program, continued Mr. Cooper.

As illustrated, this program consisted of 26 vertical holes on a widely-spaced grid pattern. "Its development will depend in large measure on establishing continuity between the existing widely-spaced diamond drill holes," he explained.

Surface prospecting during the 1972 field season turned up several other significant occurrences of copper mineralization in the surrounding area, but because of the

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Copper smelter

major reserves of the Valley Copper mine, he declared, await primarily the outcome of new and proposed provincial legislation. It appears, he added, government does not fully realize the uncertainties produced by the new circumstances it has created through pending and, as yet, unannounced mining regulations and taxation legislation.

"Projects of the magnitude of Valley Copper simply cannot be brought to fruition until these matters are resolved and we know that we will be operating under stable and equitable rule", Mr. Burnet stated.

Earlier in his address he said that there is a limit to the capability of the mining industry to pay taxes and related levies. "Assessments beyond this limit may well kill the industry".

Industry, he noted, recognizes its responsibility to bear its share of social contributions. All it asks, he said, is that the share be equi-

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Falconbridge Sustut find

Continued from Page 1

shortness of the season, it was not possible to investigate them adequately.

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low time for an intensive field program.

This program, planned for the next two years, will consist of additional prospecting, mapping, geophysical and geochemical work and diamond drilling.

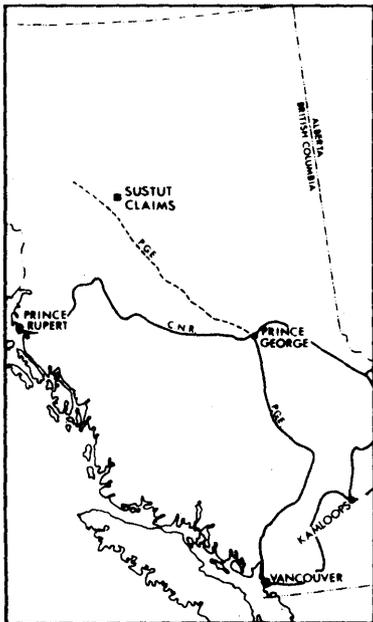
In other exploration activities, Mr. Cooper reports underground diamond drilling has encountered significant ore intersections to the east of the Onaping mine at the west end of the Sudbury Basin.

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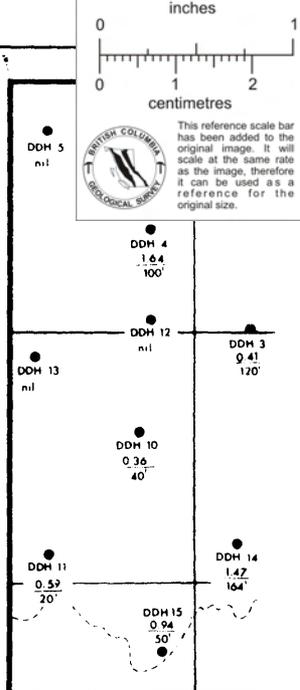
At the Bucko Lake property of Bowden Lake Nickel Mines, in Manitoba, in which Falconbridge has a 60% interest, underground diamond drilling from the 1,000-ft. horizon started in 1971 and was completed in 1972. "It has outlined a body of nickel sulphide mineralization that is now being evaluated to determine the economics of production," he continued.

"Many other properties and economic situations were examined and studied, and in some cases, negotiations are proceeding."

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Cooper

Mr. Cooper was bulli pects for all of the com jor metal products. good reason to believe will see nickel const crease substantially o the preceding year. Re gains in new orders equipment, machine to er manufacturers' du firm the favorable o told shareholders.

The Falconbridge was especially interes oping new markets p Eastern Europe.

MASSE & GAUTHIER DRILLING INC.,

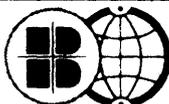
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Falconbridge Sustut find

Continued from Page 1

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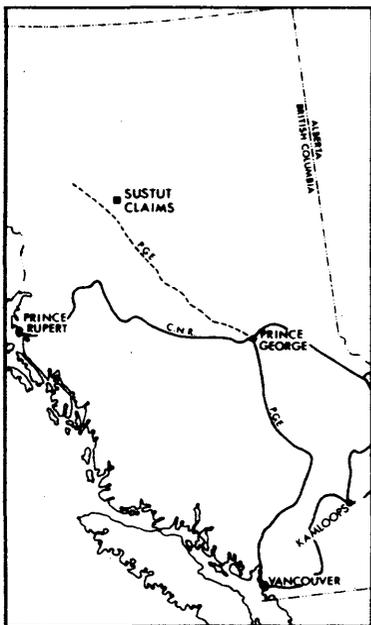
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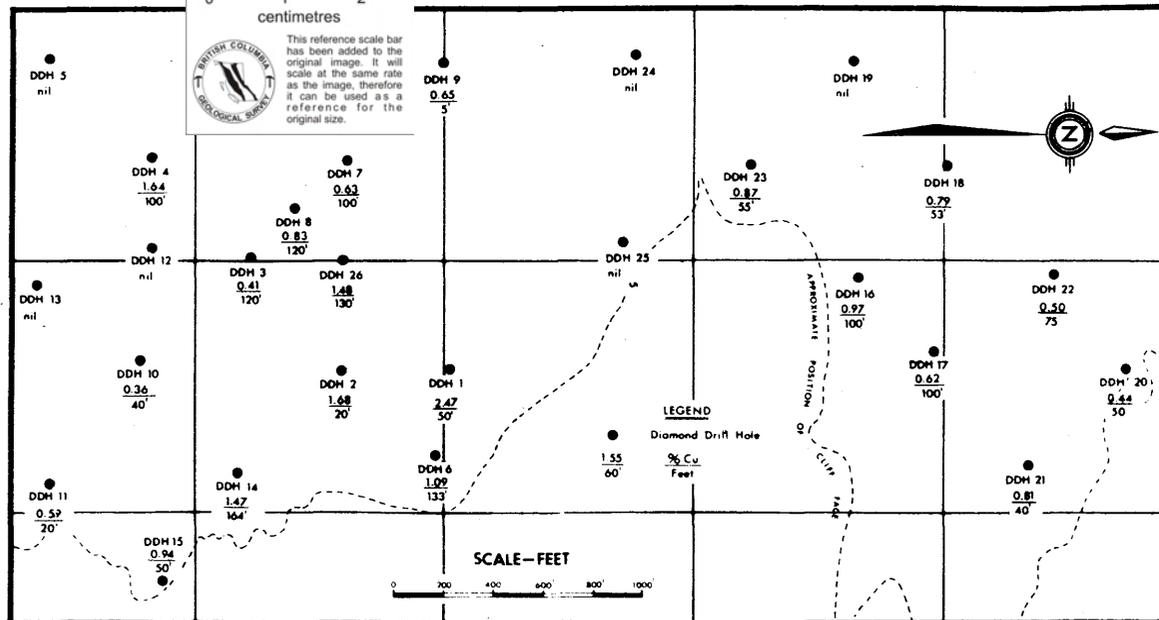
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bility of the continuing decline of Canada's position in the nickel industry. He emphasized the company's intention to keep Sudbury production "at as high a level as possible consistent with our ability to compete economically in international markets. But we cannot blind ourselves to the realities."

As mines go deeper and costs go higher, "the burden of increased wages and supply costs... and to some extent greater government regulation... is strongly evident

in Sudbury. As a company, Falconbridge has tried to arrest steeply rising costs by increasing its operating efficiencies, but then there is a limit," warned the president.

Mr. Cooper pointed to the abundance of laterite deposits and people prepared to develop them. Therefore, Falconbridge too must look off-shore "where ore resources can be more readily developed."

Meanwhile, existing operations all appear to be progressing well.

Mr. Cooper reviewed previously-reported recent developments at Falconbridge Dominicana (Falcondo) (N.M. Mar. 29, 1973) and Falconbridge Copper (N.M. Apr. 19, 1973) and the annual report of Falconbridge itself (N.M. Mar. 22, 1973).

More recently, the cobalt refinery in Norway is back in operation on current production as well as material which was stockpiled when an extensive fire occurred in May, 1972.

Falconbridge Dominicana, which achieved design throughput at various times during 1972, expects to sustain production at that rate in the current quarter.

To maintain the present production rate in the Sudbury opera-

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Cooper bullish on metals

Mr. Cooper was bullish on prospects for all of the company's ma-

these pressures. Nickel prices have stood firm during this period

FALCONBRIDGE NICKEL MINES LIMITED

MAJOR COPPER DISCOVERY IN B.C. - Marsh A.Cooper, president of Falconbridge Nickel Mines Limited confirmed to the company's annual meeting April 25, 1973, a major copper discovery in the area of Sustut Lake, 120 miles northeast of Smithers, B.C. The discovery was made in 1971. He said a drilling program involving 26 vertical holes on a widely-spaced grid pattern, approximately 600 feet apart, has indicated a copper deposit containing several tens of millions of tons with an indicated copper content of just under 1.25% lying within 300 feet of the surface. Its development will depend in large measure on establishing continuity between the existing widely-spaced diamond drill holes. The fill-in drill program is to be undertaken this year and will take about one year to complete.

SUSTUT PEAK PROPERTY MAP

PREVIOUS MAP UP DATED - On March 23, 1973, in GCNL No.59, page two, a story was carried on this Falconbridge discovery together with a map showing the claim holdings which resulted therefrom. The staking has been continuing and a number of new Vancouver junior companies have acquired ground. The map below shows a number of the new entrants which include: Anchor Mines, Alwin Mining, Dorita Silver Mines, Glen Copper, Green Eagle, part of the block shown as Gallen-Green Eagle is owned by Northwind Mines Ltd., New Cronin Babine recently renamed Sproatt Silver Mines, Pinnacle Mines and Vestor Explorations. Many of the companies have programs planned for the current season.

SUSTUT PEAK PROPERTY MAP

Omineca Mining Division, B.C.

