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92I
Quilchena Mining

October 14, 1970.

Mr. Thornton,
President,
Quilchena Mining & Development Co.,
815 West Hastings,
Vancouver 1, B.C.

Dear Sir:

Many thanks for allowing us the opportunity of viewing your Quilchena property, which I accomplished on September 23rd in the company of Messrs. Price and Kelly.

Although there is interesting mineralization on the Quilchena ground I regret that the overall potential does not fall within our range of interest at the present time.

I enclose a copy of assay results obtained from samples taken on the property, and Mr. Morton's report.

Yours very truly,

CYPRUS EXPLORATION CORPORATION, LTD.

JGS:jmh
Encls.

J. Glenn Simpson,
Regional Manager.

JGS
10/14/70

7th Guelphena Prospector



BONDAR-CLEGG & COMPANY LTD.

geologists • geochemists • analysts • assayers

1500 PEMBERTON AVENUE, NORTH VANCOUVER, B.C.

Phone 988-5315

? C.E.C. 13

CERTIFICATE OF ASSAY

TO Cyprus Exploration Corp. Ltd.,

Report No.: A20 - 662

1101 - 510 W. Hastings St.,

Samples Rec'd: September 24, 1970

Results Completed: October 1, 1970

Vancouver 2., B.C. Att: Dr. J. G. Simpson

I hereby certify that the following are the results of assays made by us upon the herein described Ore samples.

MARKED	GOLD		SILVER	Cu	MoS ₂						TOTAL VALUE PER TON (2000 LBS.)
	Ounces per Ton	Value per Ton	Ounces per Ton	Percent	Percent	Percent	Percent	Percent	Percent		
Ores 28501	.005		.10	.11	----	} chip samples Guelphena.					
28502	.005		.10	.04	----						
28503	.005		.12	.02	----						
28504	----		---	---	.001	} DON # 9 QUENCH ERIL.					
28505	----		---	---	trace						
28506	----		---	---	trace						

RECEIVED
OCT 5 - 1970
REGISTERED

NOTE: Rejects retained two weeks
Pulps retained three months
unless otherwise arranged.

Gold & Silver values reported on these sheets have not been adjusted to compensate losses and gains inherent in fire assay methods.

Gold calculated at \$.....per ounce

Peter Kemp

Registered Assayer, Province of British Columbia

D. D. Holes by Mr. Paul Schutz.
 News letter June 1966

D. D. Hole R-1 #1

<u>Footage</u>	<u>Au %</u>	<u>Ag %</u>	<u>Cu %</u>	<u>MoS₂ %</u>
295'-305'	JN	JN	.05	.043
305 305'-315'	JN	.05	.02	.030
315'-325'	.005	JN	JN	.043
325'-335'	.005	.05	JN	.058
335'-345'	JN	JN	JN	.072
345'-355'	JN	JN	.01	.043
355'-365'	JN	JN	JN	.032
365'-375'	.005	.10	JN	.110
375'-385'	JN	.10	JN	.087
385'-397'	.005	.05	.01	.034

10/552
 .055

100' = .055 MoS₂

D. D. Holes - by Mr. Paul Schutz.
 Newy lecter 1966
D. D. Hole R-2-#3

Footage	% <u>As</u>	% <u>Ag</u>	% <u>Cu</u>	% <u>MOS₂</u>
295' - 300'	Jr	.25	.17	.007
300' - 305'	.005	.10	.05	.011
305' - 310'	.005	.05	Jr	.087
310' - 315'	.005	.05	.04	.078
315' - 320'	Jr	.05	.04	.078
320' - 325'	.005	Jr.	Jr	.075
325' - 330'	.005	Jr.	Jr	.065
330' - 335'	.01	Jr	Jr	.065
335' - 340'	.005	.05	.02	.054
340' - 345'	Jr.	.05	Jr	.074
345' - 350'	Jr.	.10	Jr.	.056
350' - 358'	.01	.10	Jr	.055

12 | 105
 59

65 = 0.069% MOS2

(3)

D. D. Hole # HE - drilled by Mr. Kelly
split and assayed by Mr. Paul
Schutz - June 1966

<u>Footage</u>	<u>g Au</u>	<u>Ag g</u>	<u>% Cu</u>	<u>% MoS_2</u>
0' - 30'	.01	.05	Jr	.056
30' - 40'	.03	.20	.15	
	.03	.20	.10	
	.005	.05	.01	.076
40' - 50'	Jr	.05	.09	.065
50' - 60'	Jr.	Jr	Jr	.082
60' - 70'	.005	.20	.11	
	.01	.10	.05	
	Jr	.20	.02	.008
70' - 80'	Jr.	Jr	Jr	.069
80' - 90'	Jr.	Jr	.01	.070

7/426

90' = 0.05 % S₂

(4)

D. D. Hole # 3 - on the Ensign Claim
split and re-assayed by Mr
Paul Schutz, New Letter - March
1966

<u>Footage.</u>	<u>Oz Au</u>	<u>Oz Ag</u>	<u>% Cu</u>	<u>% MoS₂</u>
200'	.03	.15	.3 .3	.025
210'	.15	.85	.7 .05	.025
	.06	1.25	.32	.025
220'			.09	.008
230'	.05	.45	.45	
420'	This area not assayed for gold (Au) silver (Ag) or copper (Cu)			.052
430'				.048
440'				.048
450'				.056

(5)

D. D. Hole #13 Cliff "Vein" by Mr. Schutz

Sample NO	Footage	Avg	Avg	Cu %	MOS ₂ %
12753	Sludge. 100'-100'	Ir	Ir	.05	.065
12760	Sludge. 170'-180'	Ir.	Ir.	.04	.052

D. D. Hole #12 - drilled on Joe #24 claim by Mr. Paul Schutz. dip N 70° E - length 320'

Sample NO	Footage	Avg	Avg	%Cu	%MOS ₂
12873	Core 10'-15'	.02	.05	.10	.087
12874	Core 15'-20'	.015	.10	.09	.054
12875	Core 20'-25'	.19	.70	.25	.045
12876	core 25'-30'	.03	.25	.12	.065
12877	Core 30'-35'	.01	.05	.07	.053
12872	sludge. 190'-200'	.02	.10	.15	.045

(6)

D. D. Hole #12 - drilled on Joe #2 & claim by Mr. Paul Schutz.

From Mr. Paul Schutz field book the following notes were ~~made~~ ^{extracted} on D. D. Hole #12.

Sept 16 - 1966

#1 Bot - Vein from 20' - 23' fair chalc. Dyke rock altered

#2 Bot - Same as above Chalc at 35' - 39' - also altered with hematite seams.

#3 Bot - gradual change into fault at 70' Extensive calcite veining with hematite fine grained as above. 48' - 70'. Specks of native copper was noted 58' - 60'

#4 Bot - 70' - 94' - seem to be the same calcite veining ~~alteration~~ with ~~mineralization~~ ^{mineralization}

(7)

Notes on #12 D. D. Hole. (continued)
#5 Bot - 94' - 123' - Fault started
at 94' - 123' - Quartz - calcite and
heavily altered 105" - 107" no
core use sludge.

#6 Bot - 123' - 147'

The same felspar diorite mineraliz-
ed change at 136' finer grained
no. change.

#7 Bot - 147' - 166'

Faulted 148' - 166', Quartz calcite
stringers heavily altered at 153'

#8 Bot 166 - 190'?

2 inches of core at 170 - 171.5
Disseminated copper starts
to come in at 186' - This is
native copper.

(8)

Notes on #12 D. D. Hole. (continued)

#9 Box 190' - 200'

Fault zone. Heavily altered.

190' - 195' altered

195' - 200 Calcite?

#10 Box - 200' - 220'

The same as above.

#11 Box - 220' - 243'

Water was hit at 225'

Fault and heavy alteration

There has been and still is
epidote with the rock.

#12 Box 244' - 265' - mud seam

at 243 - 245 - Lots of epidote

calcite also quartz

#13 Box - 265' - 274' - Epidote veining

also quartz and calcite -

#14 Box - same as #13 Box.

#15 Box - no minerals except magnetite
and hematite.



QUILCHENA MINING & DEVELOPMENT CO. LTD. (N.P.L.)

10 - 815 WEST HASTINGS STREET, VANCOUVER 1, B.C.

TELEPHONE 684-7811

March 15, 1966.

PRESIDENT'S REPORT TO SHAREHOLDERS:

Indications are that the Company's property at Quilchena, British Columbia, appears to be a very large (one square mile) mineralized zone of commercially feasible low grade molybdenum copper ore. We are now proceeding to lay out the next stage of operations; geological mapping, surveying and geophysical examination. This will enable us to establish the true potential of the property.

The accompanying article reprinted from the Financial Record of February 28th, points out some of the assays.

Our latest results are as follows:

ASSAY OF DIAMOND DRILL HOLE #3, on the Ensign claim:

<u>Footage</u>	<u>AU</u>	<u>AG</u>	<u>CU</u>	<u>MoS2</u>
200	.03	.15	.3	
			.3	.025
210	.15	.85	.7	
			.05	.025
	.06	1.25	.32	.025
220			.09	.008
230	.05	.45	.45	
420	This area not assayed for			.052
30	gold (AU), silver (AG) or			.048
40	copper (CU)			.048
50				.056

The value of gold and silver makes this property unique in that gold and silver values are bonus minerals, not usually found associated with molybdenum mineralization.

From the foregoing, you will appreciate that the year ahead looks promising and with adequate financing to complete the outlined geological programme, I would say that shares in Quilchena Mining & Development Co. Ltd. are a good investment.

Paul Schutz
President

Diamond Drill Holes by Mr. Sherwin F. Kelly
Ensign and Ingersoll claims, and were
drilled to test the geophysical
anomalies outlined by Mr. Kelly.

D. D. #1

Passed underneath the anomaly and
only small quartz - stringers which
returned only minor values in gold
silver and copper.

D. D. #2

This was drilled from the ^{same} set-up
as D. D. #1 but at a flatter angle
of 30°. Again core recovery was
poor but two intersections
were present.

① 84.5 feet to 89.5 feet assayed.

Au - oz	Ag oz	Cu %
.36	1.3	.35

② 131 feet to 133 feet assayed.

Au. oz	Ag. oz	Cu %
.27	.35	.17

D. D. Hole #3 - total length 250'

This hole was drilled slightly north
of #1 and #2 and cut the same
zone at ~~200~~ a depth of 200 feet.
Core recovery was almost nil but
sludge samples taken at the
following intervals returned

② D. D. Hales by Mr. S. F. Kelly

D. D. Hole #3 (continued)

Footage	<u>Au</u> %	<u>Ag</u> %	<u>Cu</u> %
201' - 210'	.03	.15	.30
210' - 216'	.15	.85	.70
216' - 228'	.05	.43	.45

D. D. Hole #4

This hole was drilled north of #3. to a depth of 300' and stopped due to poor drilling.

Only minor quartz calcite stringers were cut which returned assays up to.

<u>Au</u> %	<u>Ag</u> %
.03	.20

D. D. Holes #5 #6 #7

These holes were spotted to test the Fence Vein as well as test the S. P zones. The depths of these holes were.

#5 -	500'
#6 -	350'
#7 -	100'

D. D. Hole #7 - not completed due to the drill being required to drill the Joe showings and complete assessment requirements on these claims.

③ D. D. Holes by - Mr. S. F. Kelly
D. D. Holes # 5 # 6 # 7 (Continued)

Again the core recovery was poor and the results inconclusive as only nominal values were found either in the core or in sludge samples.

D. D. Hole - # 6 - 350' length.

Footage	avg. oz. Au	avg. oz. Ag	Cu %
32' - 35'	.18	.30	1.27

D. D. Holes # 8 # 9 # 10

These are on Joe # 24 claim, and were all drilled from the same set up to test the broad band of quartz and shearing exposed by stripping and trenching.

D. D. Hole # 8 angle 45° length 173'

Footage	oz. Au	oz. Ag	% Cu		\$
102' - 108'	0.30	1.20	0.25	51	8.50
108' - 113'	0.01	0.40	0.10	10	2.00
113' - 118'	0.005	0.35	0.05	5	1.00
123' - 124'	0.005	0.10	0.02	0	-
124' - 124.5'	0.40	0.90	0.30	10	20.00
124.5' - 128'	Jr	0.05	0.15	5	1.50
128' - 130'	Jr	0.25	0.10	2	1.00
130' - 131'	0.31	1.50	0.22	34	17.00
131' - 133'	Jr	0.25	0.05	2	1.00

31/11
\$3.50

Ⓢ D. D. Holes by ^{Mr.} S. F. Kelly.
D. D. # 9 - angle of 65° - length 219'

<u>Footage</u>	<u>g Au</u>	<u>g Ag</u>	<u>% Cu</u>
77'-86'	0.20 0.02?	0.30	0.15
86'-93'	0.08	1.00	0.40
93'-97'	Lost core.		
97'-104'	0.075	0.80	0.07
104'-110'	0.07	2.80	0.65
110'-115'	0.08	0.80	0.35
115'-120'	0.22	1.20	0.25
120'-123'	0.06	0.70	0.20
123'-128'	0.02	0.40	0.17
128'-133'	Lost core.		
133'-138'	0.025	0.40	0.07
138'-146'	0.05	0.75	0.15
146'-157'	0.04	0.70	0.25

D. D. Holes # 10 angle of 78° - length 270'

Footage

178'-235' - zone of quartz calcite
veining and intense shearing
traces in gold silver and copper
through ~~at its~~ ^{this} length.
Not assayed.

These holes indicate a true width
of 30' of quartz vein and sheared
andesite.

W. D. Hales ^{###} 8910
(continued)
Results

~~5~~ W. D. Hales by Mr. S. F. Kelly

The best hole in diamond drilling
was hole # 8 which returned

oz Au
.30

oz Ag
1.20

% Cu
.25

across a length of length of 5'

W. D. Hole # 9 had a length of 6' returned

oz Au
0.07

oz Ag
2.80

% Cu
0.65

Taking a section from 77' - 123' a length
of 46' - the weighted average after
giving 4' section ^{from} 93' - 97' nil is:

46' x 0.11 oz Au, 0.98 oz Au and 0.24 % Cu

OMEGA MINES LTD.

GOLD - SILVER OPERATION IN OREGON - Venturesome Vancouver business men have joined with
OBJECTIVE OF VANCOUVER COMPANY Idaho interests through a British Columbia company,
 Omega Mines Ltd. to sublease and option properties with
 a known potential in the Cracker Creek Mining District in the northwestern part of Baker
 County, Oregon.

The sublease and option were obtained July 1, 1965. Prior to a public offering of
 300,000 shares prices at \$1.00 per share by prospectus dated Sept. 23, 1967, to net \$255,000
 after 15% per share commission, the company had sold 450,000 shares to net \$82,500, had
 received \$41,719 in advances from shareholders, and had spent a total of \$181,490, chiefly
 on the Oregon prospect and partly on mineral claims in 2 areas of B.C.; 50 claims 1½ miles
 east of Lytton acquired for 750,000 shares; and 10 claims 24 miles from Kelowna acquired
 for \$6,800 cash.

Action was taken on the Oregon venture following investigations which showed that the
 Cracker Creek District forms a part of Oregon's most important gold mining areas in the NE
 section of the State. The current exploration and development programme is based on recom-
 mendation of F.L. Croteau, P. Geologist, of Vancouver, B.C. In a report dated Sept. 23, 1966,
 he advised that the grouping of mines put together by Omega Mines Ltd. constitutes "an
 excellent potential for a substantial sized, profitable mining operation." He said the
 structure is large, strong and carries excellent gold and silver values; that the type of
 mineralization is similar to that of some of the leading gold mines of Canada; and that the
 original and later lessee operations were inefficient and wasteful with both mining and
 milling operations geared to recover high-grade only. At date of his first report, he said
 productivity had been established over a length of 11,000 feet and, locally, to a depth of 750
 feet. below drift level on Cracker Creek. Previous gross output of \$14 million, he said
 (at \$35 per oz. of gold), was obtained from the milling of 636,500 tons ore, an average of
 \$22 per ton milled, based on average recovery in the various mills at Cracker Creek of 67%.
 Mr. Croteau advised that rehabilitation of 4 old workings and intervening ground was war-
 ranted, adding that ultimate mining operations should prove to be highly profitable. The
 consultant made subsequent reports dated June 3, 1967 and Sept. 25, 1967. At the latter date,
 a main drift had been advanced 279 feet and the vein, he said, had been consistent for this
 length, continuing to show a width of from 7 to 11 feet. Assay values had been well above
 economic ore grade. His revised estimate of requirements totalled \$255,000 to include
 \$105,000 for 1,500 feet of drifting, \$76,500 for 900 feet of raising, \$24,000 for timbering
 for 2,400 feet, \$39,500 for equipment and \$10,000 for supervision. He noted that the U.S.
 Geological Survey had put a party in the area to take a detailed survey as part of its
 programme to investigate likely good producing areas.

Vancouver directors are: Keith Baldwin, president, who is also head of Captain Int'l
 Industries Ltd. and of Fort St. John Holdings Ltd.; G.A. Armstrong, secretary, lawyer;
 Marvin L. Judd, general manager of Terra Nova Development Ltd. and John Hurmusea, president
 of Arctic Seafood Products Ltd. Idaho directors are: H.R. Wallace, accountant with Hecla
 Mining Co., Wallace, since 1945 and W.L. Hill, Boise, Idaho, businessman.

Omega was incorporated on May 5, 1966 with authorized capital of 3,000,000 shares of
 which, prior to the public offering mentioned above, 1,200,000 were issued including
 750,000 escrowed shares for properties and 450,000 sold to net \$82,500 and pooled for 30
 days after the public offering is fully subscribed.

For the Oregon gold-silver properties' sublease and option, Omega paid \$3,000. Terms
 called for assumption by Omega of obligations of the original sublessee, Calera Exploration
Ltd., Renton, Washington, as follows: payment of \$75,000 to Ward L. Hill, lessee, in specific
 instalments with final payment of \$10,700 on Jan. 1, 1970, subject to a rebate of \$10,000
 if a total of \$65,000 has been paid by July 1, 1968; and also payment to Cracker Creek Gold
Mining Co., the lessor, of a royalty being the greater of either 5% to 10% of the net
 returns, depending on the price of gold, or \$2,000 semi-annually, starting April 1, 1966.

Omega had paid \$14,835 on the Oregon sub lease as at Sept. 15, 1967, at which date
 working capital deficit was \$53,290. Other expenditures to this date were: exploration
 development and administration, \$121,922; equipment \$41,849; payments on properties and
 on long term liabilities \$28,909.

QUILCHENA MINING & DEVELOPMENT CO. LTD.

EXPLORATION CONTINUES - Paul Schutz, president of Quilchena Mining & Development Co. Ltd.,
ON MERRITT PROPERTY has reported that recent exploration work on the Joe 21 and 22
 claims has located an area of disseminated mineralization over
 an area 140 feet wide, a depth of 230 feet, and over an undetermined length, on the
 property located in the area, 10 miles north of Merritt, B.C. Some drilling has indicated
 a length of 630 feet. He states that there are a number of other anomalous areas on the
 property which are being prospected.

HOGAN MINES LTD.

NEW DIRECTORS REPORTED - Three new directors were elected at the Hogan Mines Ltd. annual
 meeting. They are: George Bleiler, A.G. Hodgson and Adolph (Scotty)
 Almond. Dr. A.L. Hilton did not stand for re-election.

The company plans further work on its properties in the Fort St. James area for next
 season.

GIANT MASCOT MINES LIMITED

CONCENTRATE SHIPMENT - Giant Mascot Mines Limited has reported that the 73rd shipment of nickel-copper concentrates from the nickel mine near Hope, B.C., went forward Sept. 6, 1967, totalling 1,968 short wet tons, averaging 10.2% nickel and 4.8% copper. The shipment has a gross value of \$258,465 U.S.Funds.

Since shipments to Japan started in May 1960, the company has shipped a total of 161,727 tons of concentrates with a gross value of \$18,927,065 U.S.Funds.

FOR THE RECORD

ZINC - American Zinc Institute, Inc. has reported U.S. stocks of zinc, including all primary and secondary zinc of standard grades, in short tons as follows: at smelter August 31, 1967: 116,732; at July 31, 1967: 117,861; and stock elsewhere at 27,770 tons vs 27,430 tons.

B.C. Securities Act-Mt. Ogden Mine Ltd. has received B.C. Securities Act registration covering the sale of 100,000 shares at \$3.00 per share.

Cryogenic Enterprises Ltd. has reported liquid natural gas was employed in B.C. this week to keep natural gas flowing to two communities during pipeline repairs.

The liquid natural gas, carried at minus 260 degrees in an insulated tanker, was transported from Vancouver to the communities of Williams Lake and 100 Mile House in the B.C. Cariboo.

Cryogenic Enterprises Ltd. provided the emergency shipment from its liquefaction plant at Richmond, just south of Vancouver. The plant, officially opened in February, now provides liquid natural gas via tanker truck to the coast community of Squamish.

Inland Natural Gas asked for the liquid natural gas from Cryogenic while it made repairs to underground systems. The tanker truck was accompanied by a mobile vaporisation station mounted on another truck to aid in the transfer of liquid natural gas from its liquid state into the mains as gas.

Chieftain Development Co. Ltd. and Blue Crown Petroleum Ltd. reported the completion of their fifth gas well in the Lac La Biche-Craigend area. The well, Chiefco BluCr Craigend 11-30-64-11, was completed as an Upper Mannville gas well and is a two-mile stepout from the previously indicated producing area. A gross section of 71 feet of sand was encountered and it is estimated that 40 feet is net pay.

The companies are presently drilling a well, Chiefco BluCr Craigend 11-24-64-13 located on the west side of the producing area, seven miles southwest of the above well and approximately 3½ miles southwest of their previous completion in the area. Additional drilling is planned.

→ Quilchena Mining & Development Co. Ltd. reports that the core of No.13 diamond drill hole, drilled last fall has assayed silver up to 0.5 oz. per ton. Extension of the hole this spring disclosed that it had intersected the feldspar porphyry dyke.

Exploration and magnetometer survey work has been proceeding without interruption this summer. Geochemical sampling has indicated areas of good mineralization of copper and molybdenite. The results of the magnetometer surveys are being plotted and these show several strong anomalies. Additionally several new mineralized areas have been located and 16 claims have been staked bordering the company's property.

Place Gas & Oil Company Limited has reported commercial gas production in a third well on its offshore gas field development in the Port Dover area of eastern Lake Erie.

The new producer, Place-Charlotteville No.8, has an open flow potential of just under one-half million cu. ft. daily from the Red Medina sand formation. The well thus establishes the presence of the field's gas-bearing horizon to a point one mile north of the 'discovery', as at this date.

Combined production from the three wells thus far drilled, totals approximately 3½ million cu. ft. daily. Current drilling is continuing at one-half mile spacing intervals in line to the north.

The extension of the underwater gas-gathering system to the new field area is nearing completion, at which time, production of existing wells will be placed on stream.

MT. AGNES MINES LTD.

DIAMOND DRILLING RECOMMENDATION - Mt. Agnes Mines has reported that diamond drilling has been recommended for the company's Henderson Lake property on Vancouver Island. Results of recent detailed magnetometer surveys, has suggested immediate drilling of an anomalous area in which spectrographic analysis indicated interesting copper-silver values.

A contract is being negotiated for an electromagnetic and probably self potential survey on the company's original silver-lead property named the Space Group located on Mount Agnes east of Quesnel, B.C.

The company recently added to its holding adjoining Iago Mines' Hope Nickel copper discovery across the Fraser River valley from Giant Mascot in the Hope, B.C. area.

FLAGSTONE MINES LTD.

COMMITMENT NOW SPENT - NEXT YEARS' FUNDS OF \$100,000 TO BE SPENT NOW - B.I.Nesbitt, president of Flagstone Mines Ltd., has reported that Cyprus Mines has indicated that the Pitt Lake, B.C., molybdenum property exploration program has been accelerated by the budgeting of a further \$100,000 for this years exploration.

Under the terms of the agreement between the two companies, Cyprus must spend \$100,000 in 1967 on the property. These funds have now been spent and a budget of \$50,000 per month for the next two months has been set. This expenditure, when completed, will clear Cyprus of its 1968 expenditure. This is not a firm commitment but is an optional continuation of the program. This further expenditure means Cyprus will be acquiring shares of Flagstone Mines Ltd. at a price of \$2.50 per share.

Mr.Nesbitt stated that there are two diamond drilling machines now on the property and that five holes have been completed. The No.5 hole may now be completed or may still be drilling. The holes were planned for a length of 1,000 feet with one hole going to a length of 1,530 feet. After allowing for the angle of the hole, the president estimated that this deep hole reached a vertical depth of between 800 and 900 feet. All the holes to date have been from the bottom of the valley with the future holes planned for up the mountain side some 800 to 1,000 feet. The program includes prospecting, geological mapping and induced polarization survey work.

Mr.Nesbitt, reported that none of the assay results have been reported to him as yet. He stated that, while Cyprus has received some assays from some of the holes, sufficient results have not yet been received to give an average of the grades encountered to date.

FOR THE RECORD

Giant Reef Petroleum Limited has received registration under the B.C. Securities Act covering the sale of 600,000 shares at 25¢ per share.

Simpsons-Sears Acceptance Company Limited has received registration under the B.C. Securities Act covering the sale of \$15,000,000 - 7½% Secured Debentures Series H by a prospectus dated July 11,1967.

Pinnacle Petroleum Limited has received registration under the B.C. Securities Act covering the sale of 750,000 shares of no par value by a prospectus dated June 26,1967.

Little Jane Investments Ltd., 404-510 West Hastings St., Vancouver, has been granted registration by W.S.Irwin, superintendent of brokers, as a broker-dealer, non-trading, for the period from July 14,1967 to April 30,1968.

→ Hogan Mines Ltd. has reported that a four-hole diamond drill program for a minimum total of 2,000 feet has started on the St. Vincent Bay molybdenum property located 60 miles northwest of Vancouver.

A molybdenite-bearing zone 3,000 feet by 1,000 feet was indicated in earlier survey work on the Jervis Inlet property. It is this zone that is now being drilled.

→ Van Silver Explorations Ltd. has reported that the program is now underway on its 148 claim property located, 25 miles north of Squamish, B.C. The work includes, geological mapping, and magnetometer survey work. The company states that there are approximately 2 to 3 dozen known mineralized areas dispersed throughout the property, all showing promise of good values. The company is making its first public offering of 200,000 shares at 50¢ per share. (See GCNL No.134, page two, July 12,1967)

→ Quilchena Mining & Development Co.Ltd., president, Paul Schutz, has reported in a July 10,1967, letter to shareholders that a 140 foot section of the core from hole No.13 assayed 0.50 oz. silver. The hole was extended to 440 feet and intersected a feldspar porphyry dyke which is believed to be one of the mineralization controls on the property.

A magnetometer survey will be used to trace a mineralized zone which has been sampled on the surface to give values: across a 20 foot wide zone of 0.005 oz gold, a trace of silver 0.30% copper, and a trace of molybdenum, a second chip sample across 10 feet gave values of 0.02 oz. gold, 0.60 oz. silver, and 0.75% copper. The president also reports a chip sample grading 0.38 oz. gold, 3.20 oz. silver, and 0.50% copper but he does not give the width of the sample.

An additional 16 claims have been staked to bring the total claims to 90.

→ Takla Silver Mines Limited, president, Leonard Belliveau, states in the recently issued annual report that little work was done on the Takla property during 1966 although part of the recommended drilling program was carried out with encouraging results. He states that negotiations have been conducted with several mining companies with a view to acquire the necessary funds. These negotiations are continuing with no satisfactory agreement reached. Drilling was inconclusive on the Kawanika Copper Company property in which Takla Silver has a substantial share interest. The financial statements show expenditures for the year ended March 31,1967, of \$44,236, of which \$7,000 was on administration and \$20,290 was provided by Canex. The working capital deficit was \$11,100 at March 31,1967. There are 1,600,001 shares issued of the 3,000,000 shares authorized.

MARENGO MINES LTD.

DIAMOND DRILLING NOW UNDERWAY - ON MERRITT MOLYBDENUM PROSPECT - On February 4, 1967, diamond drilling started with BQ equipment on the Kit claim group of Marengo Mines Ltd. which is located in the Merritt, B.C. area as shown on the map below. The work is under the direction of A.D. Tidsbury, P. Eng., who earlier reported that a 300 foot trench located molybdenum mineralization in association with minor values in chalcopyrite and pyrite. A limited amount of magnetometer survey work has shown that the favourable area can be indicated by such a survey and the company is planning additional magnetometer work.

Marengo Mines Ltd. is headed by Harry D. Merrell Merritt, B.C. contractor and holds a number of other properties in the Merritt area. The company recently made its initial public offering of 100,000 shares at 40¢ per share with the proceeds to be used in the current drilling and on the other properties as well.

