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CONTINENTAL MCKINNEY MINES LIMITED

WORK NOW UNDER WAY IN ANGLO ROUYN-NATIONAL NICKEL AREA - A 51% interest in CBS 620, near the Anglo Rouyn Mines in northeastern Saskatchewan has recently been acquired by Continental McKinney Mines Ltd. and will be covered by a complete electromagnetic and magnetometer ground survey as soon as weather conditions permit. J.E.R. Wood, P.Eng., president of Continental McKinney Mines, has reported that the company paid 25,000 treasury shares and undertook to complete the geophysical program by June 30, 1968, to acquire its interest in the 1030 acres covered by CBS 620.

A recent report on the property by W. Bruce Dunlop, P.Eng., bring out that the claim area is 99% water covering, to an average depth of 30 feet, with the exception of a few islands along the north end. From the examination of the surrounding area, it is evident that the bedrock consists essentially of hornblend gneisses, biotite gneiss and schists. The engineer points out that there are three ultra basic intrusives in the immediate area: at English Bay, 1 mile southwest; at the National Nickel-Dunlop Mining property one and one-half miles northwest and third is along the regional northeast strike of the formation approximately six miles east, the producing Anglo Rouyn Mine. This mine is currently in production at about 900 tons per day processing 1.8% copper with significant amounts of gold.

A 1953 aerial magnetometer survey of the area of CBS 620 located two aeromagnetic anomalies with gamma readings up to 2060 gammas. These appear to be an extension of, or part of a high magnetic anomaly, up to 4,000 gammas, immediately north of the property which is held by Great Plains Development Company.

The geophysical program is estimated to cost some $5,000 with a further $21,000 provided to cover the initial drill testing of any significant anomalous areas located by the geophysics.

Mr. Wood stated that the property holds a good potential since it has favourable geology in close proximity, encouraging preliminary geophysical results and is located in a minemaking area.

HIGHMONT MINING CORP. LTD.

HIGHLAND VALLEY EXPLORATION PROGRAM PROCEEDING ON SCHEDULE - Progress at the Highland Valley property of Highmont Mining Corp. Ltd. is proceeding as per the recommendations of Chapman, Wood & Griswold. Raise No. 2, being driven up on percussion hole No. P-20, is 106 feet from the adit track. Some 60 feet further remains before breakout at surface. Progress in the last 20 feet has been slow due to poor ground conditions. Reports from the property indicate moderate mineralization accompanying the highly altered and soft rock.

Diamond drill hole No. HU-1, being bored from the face of the main drive and on the same bearing as last reported at 604 feet. This hole, a flat hole, is being carried through to the main intrusive contact. Geological reports indicate minor to moderate copper-molydenum mineralization in the early portion with increasing values at depth. This is the first of five holes being drilled to confirm surface drilling results and to assist layout of further underground operations.

Financing announced February 21,1968 provided $215,000 to Highmont Mining Corporation Ltd. for the advancing of the underground development work and bulk sampling programme. Nippon Mining Co. Ltd. provided $140,000 of the total by way of a loan to Highmont. Under the original agreement dated October 14, 1966, Nippon agreed to provide these funds by June 30, 1968. The recently amended agreement made the due date on these funds January 31, 1968. These funds are convertible into Highmont shares at the rate of $1.50 per share at Nippon's option. The next stage of the financing calls for the payment of $235,000 on or before June 30, 1968, which is convertible into shares of Highmont at $1.50 per share.

The next stage of financing is in the amount of $525,000 due by Jan.31,1969, and convertible at $1.75 per share.

WESTERN GEOLOGICAL SERVICES LTD.

+ **New Firm of Geologists Offers Highly Qualified Property Management for Exploration**

Bill Meyer, B.Sc., majored in geology and physics and John Buchholz, B.A., major in geology, have each spent the last six or seven years working for major and junior exploration companies active in B.C. and the Yukon. Their experience covers a variety of different properties and minerals as well as the management of the projects and crews.

They have formed Western Geological Services Ltd. and opened offices at 505-540 Burrard St., Vancouver 1, B.C., telephone 688-4311. The objective of the company is to provide well qualified geological staff to supervise the physical work on mining properties. Their geologists will be available for short term projects, to function as staff geologist on project. Careful execution of the recommendations of the consultant is one of the company's objectives but they do not propose to carry on the practice of consultants.

FARGO OILS LTD.

MANAGER OF OPERATIONS ANNOUNCED - T.C. Landreth, Jr., has been employed as manager of Operations of Fargo Oils Ltd. He will function from Calgary and will be in charge of development and production operations. He has been in the petroleum business for 21 years and for the last 17 working in Western Canada.

BETHLEHEM COPPER CORPORATION LTD.

THREE MONTHS TO FEB. 28:	1968	1967
Mill feed (dry) aver/day-tons	12,875	9,950
Grade of ore - copper %	0.62	0.58
Recovery - %................	85.06	81.31
Average grade of tailings - %	0.093	0.108
Concentrate grade - %	35.23	31.40
Copper produced-pounds	12,423,506	8,407,725
Aver. copper price/lb -(U.S.¢)	56.5	49.9
Market Value of Production...	$8,047,404	$4,027,903
Prod.admin.trans.mkting costs	$3,118,603	$2,632,936
Depr.explor, deb. interest...	401,665	242,703
	$3,520,268	$2,875,639
Profit before taxes	$4,527,136	$1,152,264
Prov. for inc. & mining taxes	2,025,000	101,670
NET INCOME	$2,502,136	$1,050,594
Shares issued	5,261,250	
Earnings per share	$0.474	$0.20

P.M. Reynolds, president of Bethlehem Copper Corporation Ltd., states in the fourth quarterly report ended February 29, 1968, that the most significant factor, as shown in the adjoining table, is the approximately 138% increase in Net Profit for the fourth quarter.

He comments the new records were set in this final quarter with regard to daily average tonnage of ore treated, in pounds of copper produced and in gross sales. These factors, combined with favourable copper prices, resulted in record after tax profits. The mill stabilization programme commenced in mid-1966 was completed in November 1967 contributing in large measure to the reduction in unit costs.

In calculating net income for the year, income and mining taxes are provided for at full rates. A year ago, the company was still enjoying the benefits of preproduction costs which had been carried forward from previous years. (For details of the year end,(12 months) see GCNL NO. 57, March 21, 1968)

Up until October 31, 1967, Bethlehem had its mining and transportation of ore to the mill done under contract. From November 1st,the company has done this work with new equipment purchased by the company. Substantial savings are being effected as a result of this change.

A stripping ratio of 1.75 to 1 is being maintained. As a result, by mid-1969, the stripping ratio for the balance of the life of the Jersey pit will only be less than ½ to 1. It is planned to continue moving material at the 1.75 to 1 rate throughout, but to apply the excess capacity to preparation of the Huestis zone which will be the next one to be mined.

The annual report will be mailed June 3, 1968. The annual meeting will be held in Vancouver on June 20, 1968. A regular ¼ly dividend of 10¢ is payable March 21, 1968.

GULF TITANIUM LTD.

VANCOUVER COMPANY PLANS SUBSTANTIAL PROGRAM TO DETERMINE POTENTIAL OF DEPOSITS IN QUEBEC

Vancouver principals have backed Everett J. Lees, geologist, Carson A. Murray, prospector, for the initial private company stage of investigation of a titanium discovery made by Dr. Lees in 1948. Results have been such since incorporation of the company in British Columbia, May 12, 1967, that the company was converted to public status on March 15, 1968, in anticipation of early financing.

Associated with Dr. Lees on the directorate are Carson A. Murray, Gordon V. Murrary, promoter, L.Keith Liddle, lawyer and company secretary; Sholto Hebenton, lawyer; all of the Vancouver area.

Gulf Titanium Ltd. was formed to take advantage of the accelerated demand for titanium which has increased as a result of the break-through some 10 years ago which led to the use of titanium as metal. The original use as pigment has continued to increase. Titanium now forms the bulk of air frames, engines and skins of supersonic civilian and military aircraft, military helicopters and space missiles. Use in undersea craft has started and use for surface ships is expected.

The B.C. company controls 2 prospects on Puyjalon Lake in Parker and Puyjalon Townships, Allard Lake district, north shore of the St. Lawrence River. One of the properties is stated to have 270 million tons of concentrating grade ilmenite and the other a smaller body of the same material.

HIGHMONT MINING CORP.LTD.

NEW DIRECTOR ANNOUNCED - R.W.Falkins, president of Highmont Mining Corp.Ltd., has announced the appointment of M.Nakamura as a director of the company. Mr.Nakamura is general manager of Nippon Mining Co,Ltd. in Vancouver. His appointment gives Nippon two representatives on the Highmont Mining board of seven directors.

Development work is proceeding at the Highmont property in the Highland Valley with the start of P-20 raise which is situated 200 feet to the west of P-19 raise. Simultaneous to the raising program, underground diamond drilling is starting and will be carried out in conjunction with the underground bulk sampling program. The first underground drill hole will be drilled due south from the face of the main adit located at P-19 raise and will attempt to intersect the contact of the Bethsaida and Skeena granodiorites located approximately 800 feet south of raise P-19 raise.

PLACER DEVELOPMENT LIMITED

PERIOD ENDED DEC. 31/67:	Three Months	Twelve Months
Revenue from concentrates	$10,428,000	$40,815,000
Income from investments	2,475,000	7,518,000
Int.earned and other income	986,000	2,459,000
Total Revenue	$13,889,000	$50,792,000
Cost of concentrate prod.	6,457,000	22,699,000
Admins,selling & gen. exp.	794,000	3,644,000
Bank loan interest	126,000	424,000
Depreciation & depletion..	862,000	3,509,000
Preprod. & dev. exp. w/o..	299,000	1,194,000
Exploration expenditures..	1,452,000	5,279,000
Taxes on income	231,000	387,000
Min. int.in Endako earnings	382,000	1,942,000
Total expenditures	$10,603,000	$39,078,000
Net Profit	$3,286,000	$11,714,000
Earnings per share	$0.61	$2.20

T.H. McClelland, president of Placer Development Limited, states in the unaudited report for the twelve months ended December 31, 1967, that estimated consolidated net profit is $11,714,000 or $2.20 per share.

In the last quarter of the year, Mattagami Lake Mines Ltd. (N.P.L.) (25.9% owned) paid an interim dividend of $0.25 per share plus an extra of $0.25 per share.

Marcopper Mining Corporation, a Phillippine corporation in which a wholly owned subsidiary holds a 40% interest, has announced its plans for equipping its copper property for production at a rate of 15,000 tons per day. The project will cost approximately $40,000,000 and is expected to be in operation in 1970.

HIGHMONT MINING CORP. LTD.

NEXT PHASE OF $215,000 FINANCING NOW COMPLETED - Current financing has provided $215,000 to Highmont Mining Corporation Ltd. for the advancing of the underground development work and bulk sampling programme on its Highland Valley, B.C.,copper molybdenum property. Nippon Mining Co. Ltd. has provided $140,000 of the total by way of a loan to Highmont. Under the original agreement dated October 14, 1966, Nippon agreed to provide these funds by June 30, 1968, the recently amended agreement advanced the due date on these funds to January 31, 1968. This advance is convertible into Highmont shares at the rate of $1.50 per share at Nippon's option. Torwest Resources (1962) Ltd. provided the balance of the funds to Highmont Mining by the purchase of 50,000 treasury shares at $1.50 per share for a total price of $75,000. Following the purchase, Torwest holds 1,050,000 shares of Highmont Mining Corp. Ltd. All of these shares are held for investment purposes and are not for resale at the present time.

The last advance made by Nippon Mining Corp. was in the amount of $250,000 and was made in September 1967. Nippon has now informed Highmont that the option to convert this advance into shares of Highmont at the rate of $1.25 per share is now to be exercised and as a result Nippon has been issued 200,000 treasury shares of Highmont.

R.W. Falkins, president of Highmont Mining Corp. Ltd., has reported that the underground programme at the property, located ajoining the Lornex Mining Corp. property to the southeast, has advanced the adit level 1170 feet from the portal to the area of the P19 raise. This raise has been driven up 141 feet with just 21 feet to be driven to completion. Early indications are that the raise is in good grade mineralization. The west cross cut has been driven 100.5 feet and will be advanced a further 100 feet to the location for the P20 raise. The present programme calls for a minimum of three raises.

Mr. Falkins stated that a comprehensive progress report on the property will be prepared in the near future.

ATCO INDUSTRIES LTD. -(continued from page 1)

Also in Alberta, on a 56-acre site at Calgary, is a manufacturing complex producing all types of relocatable and semi-permanent structures. With exception of Mechanics Research Inc., owned 66.5%, eleven subsidiaries are wholly owned.

In all, Atco Group employs 1,700, of whom 1,100 are hourly paid. The average age of senior executives, department heads and branch sales office managers is less than 40.

In reporting that it has competitors in each of a number of its product lines, the company points out that the main competition comes from "on site" builders. The average annual increase in sales over the past 5 years is reported at 27%. Industrial housing structures comprised 80% of total consolidated revenue of $36 million in the latest fiscal year. Management holds the view that the urban market for community structures should broaden through improvements in architectural aesthetics, wider public acceptance of factory-built houses and rising costs of "on site" construction. It is noted also that possible cyclical fluctuations in any one region may be offset by positive factors in others due to the world wide basis on which Atco operates. S.D. Southern, chairman of the board, after giving effect to current financing, will directly and indirectly by the owner of 48.1% and S.D. Southern, president and chief exec. officer, will be the owner of 23.9%, of the outstanding shares. Other directors are E. Farch, senior V.P. marketing; Dr. J.D. Wood, V.P. engineering & research; C.S. Richardson, V.P. Finance & Admin.; G.A. Freeman, secretary, all of Calgary; and B.P. Drummond, Greenshields, Inc., Westmount, Quebec. By resolution of directors, on Jan.12/68, 100,000 authorized but unissued shares have been reserved for incentive options to senior employees. Options are exercisable within 5 years from Feb. 1/68, at $6.95 per share. The company does not contemplate the payment of dividends in the near future.

Province Dec. 27

Nippon mining advance to aid Highmont work

Highmont Mining Corp. Ltd. has received notice from Nippon Mining Co. Ltd., that $215,000 will be advanced by Dec. 31 to continue the present program, reports R. W. Falkins, president.

This is in advance of the next option payment, due next June 1, totalling $450,000. Under the terms of the financing agreement, Nippon has to date advanced $600,000.

The commitment to advance $215,000 is to continue the underground program, Falkins says.

The adit when completed will measure 1,500 feet. In addition, three 100-foot raises are planned. This work will provide underground bulk samples for metallurgical studies to confirm the grades obtained in the drilling program earlier this year.

The $215,000 advance may be converted by Nippon into Highmont shares at $1.50 per share at Nippon's option.

When the present underground program is completed early next year the company will provide a full report to shareholders, Falkins states.

GENCONA MINES LIMITED

REPORT TO ANNUAL MEETING REVIEWS INTERESTS - Gencona Mines Limited has reported it has a sound financial position with approximately $25,000 cash on hand. In addition, the company had accepted an offer for the shares in Dunlop Mining Company Limited owned by it, which will add approximately $100,000 to the treasury. The company's investment in Dunlop Mining Company Limited was $25,000 (in GCNL No. 233, Jules Baert, Gencona president reported details of the deal as follows: Gencona and the other owners of Dunlop Mining Company have sold their shares of Dunlop Mining Company to undisclosed principals for a price of $500,000. The price of $500,000 was settled by the transfer of 12,500 shares of Scurry Rainbow Oils Ltd. The president pointed out that Gencona held 200,000 of the 950,000 issued shares of Dunlop Mining Company and is to receive 20% of the Scurry Rainbow shares when the contract of sale is completed. Mr. Baert stated that it has not been determined by the directors what Gencona will do with its Scurry shares. The important holding of Dunlop Mining is a property in the Lac La Ronge area of northern Saskatchewan upon which Merritt Copper Co. Ltd. can earn a 49% interest by spending a total of $150,000 on exploration. To date, Merritt has spent some $75,000.

Westrim Mining Corporation, in which Gencona holds about 10%, has started a diamond drilling programme on a uranium prospect and the company's program of uranium exploration would be continuing into 1968.

The main interest of Gencona Mines is a 10% interest in Pacific Rim Syndicate No. 1 which was formed to carryout uranium exploration. Mr. Baert, states that the Syndicate activities were quite successful and the member firms formed Westrim Mining Corporation Ltd. to take over the Syndicate assets. Shareholders in Westrim include: Scurry Rainbow Oils Limited; Dynasty Explorations Limited; Vanmetals Explorations Limited; General Resources Development Limited; Union Miniere of Belgium and one of the leading Japanese industrial corporations. Gencona holds 135,000 shares of Westrim.

Noranda Exploration Company Limited had drilled seven holes on the property it had under option at Soab Lake with no encouragement being met. However, these claims are currently being considered for option by a major American mining company and are being kept in good standing.

A geophysical mapping has been completed on the company's claims at Bernic Lake where Chemalloy-Goldfields have announced a $3,000,000 expenditure. Further work on this group will be undertaken next summer. (See GCNL No. 228, page 1 for annual report review).

HIGHMONT MINING CORP.LTD.

OPTION EXERCISED EARLY - R.W.Falkins, president of Highmont Mining Corp.Ltd., has reported that Nippon Mining Co.Ltd. has given notice that the Jan.31,1968, option will be exercised to provide the funds to continue the program in the Highland Valley. The adit is now into the zone of interest and when completed will measure 1,500 feet. The present program is expected to be completed early in the new year.

ATLAS EXPLORATIONS LTD. / SILVER TITAN MINES LTD.

SHARE EXCHANGE EXPECTED - Officials of Atlas Explorations Ltd. have reported that it is now expected that the share exchange into Atlas Explorations of the Silver Titan holdings on a one Atlas for two Silver Titan will be completed by mid-January. It is expected that trading in Silver Titan will cease about mid-January. Final clearance from the Income Tax Department is still awaited.

MT.HYLAND MINES LTD. / RAMADA MINES LTD.

FURTHER INFORMATION ON DRILL RESULTS IN NO.245 - In GCNL No.245, it was reported that the drilling, on a 50-50 basis by Mt.Hyland Mines Ltd. and Ramada Mines Ltd., on the south side of the Liard River, in southwestern N.W.T., cut 80 feet of an average grade of 5.67% copper in a vertical hole which is continuing to drill. Earlier work on the property was a series of holes following surface trenching, none of which were drilled on the anomalous area which is being tested by the current drilling. The anomalous area is 1,200 feet by 1,000 feet, as indicated by electromagnetic and gravity surveys. The previous work was done outside of the anomalous area. A second diamond drill machine is expected to start work on this property early in the new year. The companies have spent about $250,000 on the property to date and are planning financing for the next stage of exploration. There are five anomalous area's on the north side of the River yet to be tested.

BETHLEHEM COPPER CORPORATION LTD.

(continued from page one.)

Exploration in the Highland Valley resulting in Diamond drilling continuing on both the Iona and Huestis ore bodies. This programme should be completed by Spring, following which proven ore will be calculated and pit designs will be developed. The next annual report will contain details of the results.

The property optioned from Sileurian Chieftain Mining Co. Ltd. at Alice Arm, B.C., did not develop as had been hoped and has been surrendered. The exploration results at Bibine Lake were negative.

Bethex has recently optioned 230 mineral claims, 25 miles south-west of Smithers, B.C., from Norcan Mines Ltd. This is a copper prospect and will be the company's major exploration endeavour in 1968.

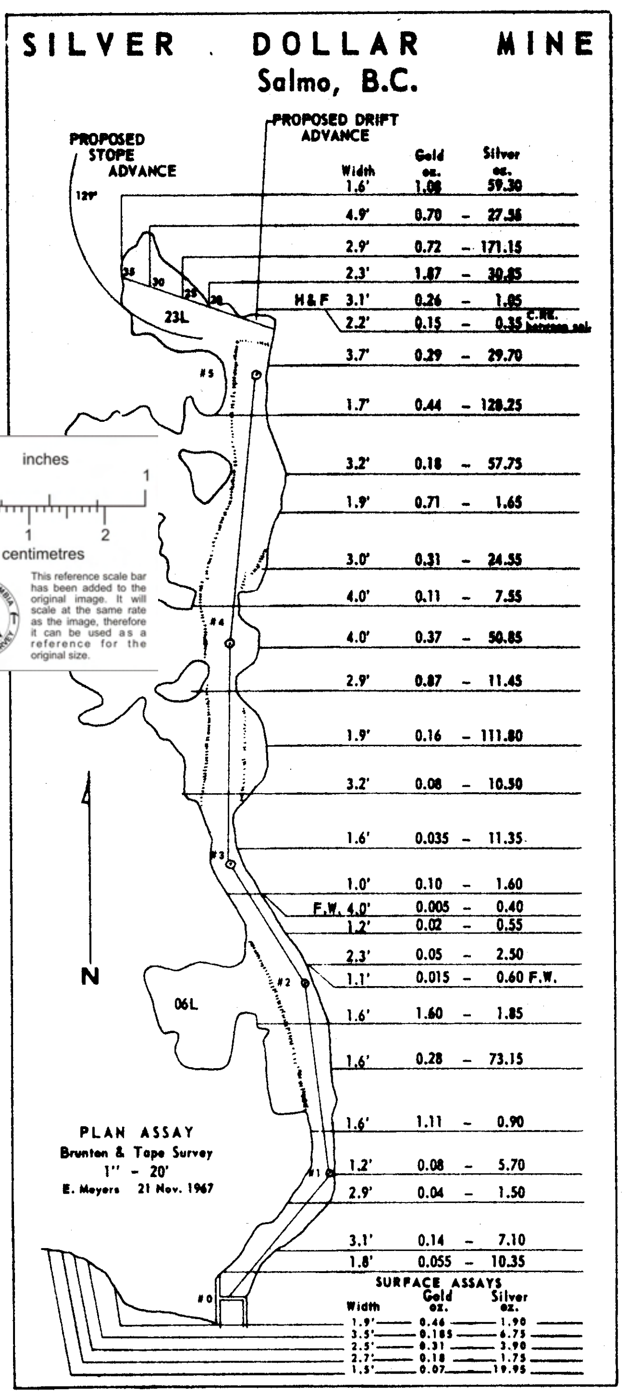
HIGHMONT MINING CORP. LTD.

BULK SAMPLING RESULTS "GRATIFYING TO DATE - R.W. Falkins, president of Highmont Mining Corp. Ltd., stated in a December 4th letter to shareholders, that, during the past three months, the development programme on the Highmont copper-molybdenum property situated in the Highland Valley area of B.C., has been progressing steadily with good results.

The present programme involves the driving of an adit 5000 feet with three 100 foot raises to provide underground bulk samples to conclusively check the grade established in the drilling programme.

A crushed and bulk sampling plant, with a capacity of 200 tons per day, is in operation on a one shift basis with the underground programme on 3 shifts. To date, the adit has advanced 765' with 195' of this in the ore zone proper. Results to date have been gratifying, indicating that the dollar value of the ore underground bulk sampling is holding up to the drill indicated values. (The company earlier reported that on percussion hole results the partially delineated mineral reserves, to 250', are estimated at 45,397,000 tons grading 0.300% copper and 0.098% molybdenum sulphide; low grade 12,411,000 tons grading 0.185% copper and 0.044% molybdenum sulphide. Ratio of waste to ore grade is given at 0.47 to 1. Diamond drilling consisting of 15 holes, confirmed that mineralization of approximately the same grade continues to below 500 feet. The first of the three raises will be started in the next few days; with this completed, a good conclusive check on vertical comparison of grades will be available. The underground programme has shown the ore zone is more highly altered than expected with strong shearing. Although this is good geologically, it means additional timbering, which slows down the daily advance. It is anticipated that this stage of the programme will be completed early in 1968. The directors of Highmont assure you that every effort is being put forth to complete the final stages of the testing programme as quickly as possible to achieve the objective of bringing a large tonnage, economic mine into production.

In the six months May 1, 1967 to October 31, 1967, Highmont spent $134,465 on exploration and development. The Oct. 31/67 balance sheet shows current assets of $32,239, curr. liabs. of $5,022, $10,000 invested in Minex Dev. Ltd.; and $150,000 loan from Nippon Mining Co. Ltd. On the 5,000,000 shares authorized at October 31, 1967, 2,057,005 were issued.



MERRITT COPPER COMPANY LIMITED

Merritt Copper Company Limited, through a wholly owned subsidiary, Silver Dollar Mines Ltd., agreed to purchase for $80,000 the Silver Dollar and Lucky Boy claims, located one mile west of Salmo, B.C. The price is payable $10,000 before Nov. 1, 1967, and the balance at $2,000 per month until the balance is paid including a $20,000 payment due Dec. 1, 1968.

The Merritt Copper has taken over the mining of the property and currently has some 100 tons of ore ready for shipment to the Trail, B.C., smelter which is 25 miles from the Salmo mine.

A recent report on the property by Dr. D.D. Campbell, states that the 729 tons shipped from the property in 1965 had a net smelter value of $29,707 or $40.70 per ton. The engineer states that one of the veins dips at 60° and the other at about 20°. The 20° vein has been exposed for 220 feet with mineralization grading 20.0 oz. silver, 0.40 oz. gold, and 3-4% lead and zinc across an average width of 2.5 feet. Dr. Campbell states about 3,000 tons of this ore are immediately available from the adit and a possible tonnage of about 13,000 tons could be proven by two new adit levels.

The results of 220 feet of drifting on the West Vein indicate the existence on this structure of at least one relatively high grade silver-gold ore shoot across 3 to 4 feet mining width. The gross value of this ore at present metal prices is over $50.00 per ton. The amount of such ore proven as immediately available is about 2,000 tons.

The west vein upper adit has indicated the possibility of the existence of 13,000 tons of ore averaging about 20 oz. silver and 0.40 oz. gold with 3 to 4% lead and zinc.

The company has a four man crew on the property under the direction of Eugene Meyers. It is expected to produce at the rate of 80 tons per week and continue exploration at the same time.

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OCTOBER 16, 1967
NO. 200 (1967)

HIGHMONT MINING CORPORATION LTD.

UNDERGROUND PROGRAMME NOW ADVANCING IN MINERALIZATION - R.W. Falkins, president of Highmont Mining Corporation Ltd., has reported that there is currently a crew of 28 men on the company's Highland Valley copper-molybdenum property working three shifts per day seven days a week advancing the underground adit level at the rate of approximately 30 feet per day. On October 13, 1967, the level had been advanced 185 feet and was advancing in mineralisation. The work is under the direction of H.H. Waller, recently appointed resident mine manager. Prior to his appointment, Mr. Waller was in practice as a mine consultant in Vancouver and prior to that has been superintendent of mining, Canadian Johns Manville Asbestos Mines and general superintendent of Granduc Mines.

The present programme is to include 1,800 feet of drifting plus the driving of three raises of about 100 feet each for the purpose of providing a conclusive check of the grade established in the drilling programme. A crusher bulk sampling plant has been set up and is in full operation with a capacity of 200 tons per day. It is expected that the plant will operate on a one shift basis and will keep pace with the ore produced by the underground programme. Approximately one-sixth of the product from the bulk sampling plant will be submitted for assay with the balance stockpiled [illegible] continued metallurgical study and testing. The metallurgical testing to date has shown that by using standard concentration procedure for flotation copper recovery of a minimum of 87% in a concentrate grading 25% is achieved and recovery of a minimum of 80% of the molybdenum in a concentrate grading 91.7% MoS2 is achieved.

The current underground budget is $200,000 and completion is scheduled for Dec.10,1967.

Mr. Falkins stated that the present programme is for the purpose of confirming that grades underground are at least as good as those obtained in the drilling programme. On percussion hole results the partially delineated mineral reserves to 250 feet are estimated at 45,397,000 tons grading 0.300% copper and 0.098% molybdenum sulphide; low grade 12,411,000 tons grading 0.185% copper and 0.044% molybdenum sulphide. Ratio of waste to ore grade is given at 0.47 to 1.

Diamond drilling consisting of 15 holes confirmed that mineralisation of approximately the same grade continues to below 500 feet.

Nippon Mining Co. Ltd. is providing funds for the exploration and development of the property under an agreement dated October 14, 1966. To date, $600,000 has been advanced by Nippon Mining Co. Ltd. and converted into 600,000 shares of Highmont Mining. Nippon Mining Co. Ltd. is obligated to bring the Highmont property into production by March 1,1974 and to provide all of the necessary financing to do so. Highmont Mining Corp. Ltd. and Nippon Mining Co. Ltd. have also agreed in principle to a 15-year product sales agreement at E. & M. J. export refinery prices for electrolitic copper and E. & M. J. prices for all other products.

Currently, Highmont has 2,057,005 shares outstanding of the 5,000,000 authorised.

If Nippon Mining makes all of the advances provided for under the agreement a total of $3,536,375 will be paid into the treasury for which Nippon will receive a total of 2,123,000 common shares of Highmont.

VENUS MINES LTD.

RAISES AND DRIFTING GIVE GOOD ORE GRADE - James M. O'Brien, president of Venus Mines Ltd., in a recent letter to shareholders, that on the basis of the work done in recent months which has established vertical continuity to a number of the ore shoots earlier established by drifting, a profita le producing mine can be estimated.

A September 30,1967, report on the property located 16 miles from Carcross,Yukon, by A.J.MacDonald,P.Eng., states in summary that the frequency of ore grade sections in the drift and the continuity of the ore up-dip in the raises enables a calculation of probable ore reserves of 49,800 tons with a gross metal value of $39.61 per ton. Inferred tonnages if calculated would be considerably higher but it is considered best to carry out further exploration before calculating inferred tonnages.

The proposed lower adit level,which will be 140 feet vertically below the present level,will be the main production and haulage level and if the same frequency of ore is intersected on it as on the 2750 level there will be sufficient reserves to support a mill of at least 200 tons per day over a three year period. Initial metallurgical tests will be underway soon and will give information for a calculation of recovered values.

Present indications are favourable for an evential profitable producing property the engineer concludes.

HUDSON'S BAY OIL AND GAS COMPANY LIMITED

GAS PROCESSING PLANTS TO BE DOUBLED OVER NEXT 18 MONTHS - Expansion of production of natural gas and byproducts continues to be a leading factor in the current programme of Hudson's Bay Oil and Gas Company Limited.

At June 30, 1967, the company's total investment in gas processing plants and related facilities, at cost less depreciation, was $28,118,000. The prospectus in connection with the company's offering of $30,000,000 in $50 par value, 5% cumulative redeemable convertible preferred shares, Series"A" shows it is the intention to double this investment over the next 18 months.

Of the net proceeds of the present financing amounting to $29,485,000, the company expects that $28,000,000 will be applied to meet Hudson's Bay's net share of expenditures for new gas plants and for extension to existing plants.

The new facilities will be needed to process additional gas that has been committed under the firm long term sales contracts with deliveries scheduled to start at various dates within this 18 month period.

The underwriters of the preferred issue, Harris & Partners Limited and Richardson Securities of Canada, are offering them at $51 per share to yield 4.90%. These shares will not be redeemable prior to October 15, 1972, but will be redeemable thereafter at $53.50 per share to October 15, 1977, and thereafter at $51 per share, on not less than 30 day's notice. The preferred shares will be convertible at any time until Oct. 15, 1972 , into common shares on basis of 1-1/5th common shares for each preferred and thereafter until October 15, 1977 share for share.

The company says that its consolidated net earnings of $20,616,000 for the 12 months to June 30, 1967 were equal to approximately 13.7 times the maximum annual dividend requirement of $1,500,000 on the preferred, Series "A", to be outstanding.

Consolidated net tangible assets as at June 30, 1967, adjusted to include net proceeds of the new preferred issue, are shown at $158,682,000, equivalent to approximately $264 for each $50 par value preferred share to be outstanding.

Hudson's Bay Company beneficially owns 21.9% and Continental Oil Company, New York, 65.7% of the outstanding common shares of Hudson's Bay Oil and Gas Co.

The oil and gas company reports that net proven and probable reserves at June 30, 1967 were estimated as follows:

Crude oil, barrels...............	295,552,000
Natural gas liquids, barrels.....	48,375,000
Natural gas, million cu. feet....	2,922,646
Sulphur, long tons...............	5,499,000

The assets at the same date which primarily relate to these reserves are shown at a total of $142,333,000, at cost less accumulated writeoffs, distributed as follows:

Fully or partially developed acreage...	$22,065,000
Wells and related facilities	92,150,000
Plants and related facilities	28,118,000

Over the past 5½ years, practically all the company's output of natural gas liquids and sulphur and the major part of its gas sales have been obtained from fields in Alberta. In the first half of 1967, approximately 71% of its crude oil was obtained in Alberta with the balance from B.C, Saskatchewan,and Manitoba. The company points out that the Alberta proration programme which ensures each well or field a pro rata share of the available market for crude oil results in the curtailment of production as present ability to produce is substantially greater than present markets. It is noted that this programme does assure the owner of any well capable of production a share of the available market.

STUMP MINES LTD.

PRELIMINARY DRILL RESULTS - Leon LaPrairie, managing director of Stump Mines,has reported that the first three holes reported below have been drilled on the company's property,located 35 miles southeast of Ross River,Yukon, to test an area which yielded surface samples grading 24.9 oz. silver, and 22.2% lead over a 4.0 foot width.

The first hole was not completed to the target owing to caving, the No.2 hole cut 32 feet of mineralization which has been submitted for assay and the No.3 hole is still drilling and is expected to be completed in a few days.

HIGHMONT MINING CORP.LTD.

RESIDENT MANAGER APPOINTED - H.H.Waller has been appointed resident manager of the Highland Valley operations of Highmont Mining Corp.Ltd. Mr.Waller has recently been in mining consulting practice. He was underground superintendent of Sylvanite Gold Mines and other operations from 1937-1962 during which time he served five years, 1941 to 1946, with the Royal Canadian Engineers with the rank of Captain. From 1962 to 1965,he was superintendent of mining Canadian Johns Manville Asbestos Mines, and 1965 to 1967,general superintendent of Granduc Mines.

DIVIDEND

Lafarge Cement of North America Ltd. will pay 12¢ on the common shares on Dec.1,1967, record Nov.29,1967. The 5% redeemable preferred shares are used in the dividend payment.

CASCADE MOLYBDENUM MINES LTD. SCURRY RAINBOW OIL LIMITED

FEASIBILITY STUDY ORDERED FOR ROSSLAND MOLY CLAIMS - Acting jointly,Cascade Molybdenum Mines and Scurry-Rainbow Oil have engaged the firm of Stearns-Roger Canada Ltd. to conduct a feasibility study of their Rossland,B.C., molybdenum properties.

L.C.Morrisroe, president, says the express purpose of this study is to determine whether or not the properties are capable of sustaining a 1,000 ton per day concentrator under a joint operating program. Results of metallurgical testing and of the feasibility study are expected within the next few months, at which time, he says, a decision will be made on whether or not to put the properties into production. He adds that,due to Cascade's heavy commitments at the Rossland properties,only assessment work was carried out on its holdings at Pine Point, Brenda Lake,and Vancouver Island properties.

A financial statement shows that Cascade in the year to Apr.30,1967, spent $375,713 in the Red Mountain area, Rossland; $18,495 in other areas and $59,200 on administration. Interest income of $16,724 reduced net outlay for the year to $436,684. Accumulated deferred exploration and administrative expenses to that date are shown at $617,003. Current assets were $377,775 and current liabilities $69,779. Of 3,000,000 shares authorized, 2,225,005 are issued,including 500,000 issued during the year under review for $750,000.

The president says that,at the Rossland property during the year,the Giant "A" zone orebody was delineated by a series of vertical drill holes,spaced at 50 foot intervals northeast-southwest across the zone. A total of 41,331 ft. were drilled with 164 holes completed by May 30,1967. He continues: "Indicated ore reserves amenable to open pit mining are 1,000,000 tons averaging 0.299% MoS2. An additional tonnage of probable ore is estimated at 500,000 tons averaging 0.20% MoS2, some of this ore could be mined from the existing adit which is in excellent condition.....

"In addition to the molybdenum values, certain sections of the ore zone contain appreciable amounts of gold, cobalt and bismuth. At present, bulldozer trenches implemented by blasting are being cut across the known zone. The trench will permit taking of large bulk sample for metallurgical testing of the ore.

"Preliminary testing on a laboratory scale indicates that good recoveries of molybdenum and gold can be obtained by a combined flotation - cyanidation process. The separation process necessary for cobalt and bismuth concentration is still undetermined."

COLUMBIA RIVER MINES LTD.

FINANCING **NEGOTIATIONS CONTINUE** FOLLOWING RESERVE CONFIRMATION - **Columbia River Mines Ltd. has reported to shareholders in an August 15,1967, letter that the Ruth-Vermont property south of Golden,B.C.,is definitely a mine. The known ore reserves milled at 500 tons a day indicate a minimum of six to seven years and should provide a yearly profit of $1,500,000.Current quotations on base metals and silver indicate that a market is assured for the concentrate. The mill is being designed by Wright Engineering and will provide for expansion to 1,000 tons per day. The mill site has been cleared and a trailer camp for about 100 men has been moved to the property.**

The letter states,"The mill should be in operation in 1968 subject to senior financing being finalized within the next few months and if weather conditions permit continuous construction."

Drifting and diamond drilling is continuing on the 6,000 foot level. "We are also preparing a financial arrangement with which you will be most pleased," the letter says.

Recent assay results of 2½ feet of 67.0 oz. silver, 31% lead, 0.07% zinc from the Blacksmith vein; 27.40 oz. silver, 11.50% lead, 2.6% zinc from a vein near the Blacksmith and across one foot; a third assay result of 94.4 oz. silver, 28.2% lead,0.80% zinc across one foot were also reported in the letter.

HIGHMONT MINING CORP.LTD.

FUNDS COMMITTED FOR UNDERGROUND WORK - **A routine annual meeting of Highmont Mining Corp.Ltd. was told that a letter of commitment has been received from Nippon Mining Co.Ltd. whereby it undertakes to provide the $250,000 for the underground program by Nov.30,1967. The site and machinery for the bulk sampling plant and the portal for the underground workings are prepared, ordered and underway and the whole program is expected to be completed by the end of November. Directors were all reelected and expressed confidence to the meeting that the program will confirm ore reserves.**

ALWIN MINING CO.LTD.

HIGHGRADE HIGHLAND VALLEY HOLE REPORTED BY ENGINEER - **Dr.A.P.Fawley, consulting engineer to Alwin Mining Co.Ltd., has reported that the first diamond drill hole on the O.K.-EZZ property of Alwin Mines Ltd. was completed to 228 feet and drilled at -45° with an average for 109 feet of 1.84% copper over the interval 119 to 228 feet. The 24 feet from 119 feet to 143 feet graded 4.08% copper and the 10 feet from 210 feet to 220 feet assayed 6.40% copper. The hole was drilled to the east of the old O.K.workings which are located in the Highland Valley between the properties of Bethlehem Copper and Lornex Mines Ltd. Dr.Fawley stated that the O.K. mineralized structure is nearly vertical and the present drilling is on an extension of this structure indicated by a weak induced polarization anomaly. Drilling is continuing.**

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WESTERN CANADIAN INVESTMENTS

PACIFIC COAST BULK TERMINALS LTD. PACIFIC COAST TERMINALS CO.LTD.

+ Vancouver Port facilities are more than adequate now
+ Vancouver Port facilities have the capacity to handle the most optimistic forecasts
+ Vancouver Port facilities are expandable and are among the most efficient ANYWHERE

E.A.Mitchell, president of Pacific Coast Bulk Terminals Ltd. and Pacific Coast Terminals Co.Ltd.,made the above remarks in answer to the criticism levelled recently at the industry with respect to the lack of adequate facilities to efficiently handle the movement of cargo in and out of the port.

To prove his points,he gave the following information on the company's Port Moody installation where recent expansion has brought the capital investment to $17,000,000. There are three unloading units at Port Moody which can handle, 25 cars, 20 cars and 20 cars respectively per hour. The company does not and is not likely to get three unit trains in at one time but if they did the facilities could handle a total of 65 cars per hour for unloading with the products unloaded going either directly to loading or to storage. There are two ship loaders designed to handle respectively 1,600 and 2,250 tons per hour. And,in addition to these,a barge loader specifically for wood chips which can load an 850 unit barge in less than four hours. Storage facilities cover 12 acres of concrete floor, with three acres of this covered by concrete- roofed buildings. The storage space is capable of holding a total of 260,000 tons of various commodities and are expandable to 500,000 tons. Railroad track facilities are important to a bulk operation and the company has over 6 miles of track which can accommodate 370 loaded cars and 110 empties at one time. The terminal is within four miles of the very large marshalling yards of the C.P.R. at Port Coquitlam,B.C.

The company's terminal is capable of handling 20,000 combined tons of coal, potash, sulphur, wood chips and other free flowing bulk commodities in a work day. In 300 working days,the facilities can process 6 million tons annually. Last year,the facilities handled 2 million with a slight improvement forecast for this year. This capacity is well in excess of the total amount of bulk handled through Vancouver in 1966. Annual throughput in the Vancouver port is expected to reach 14 million tons of bulk cargo in 10 years. The company's facilities can handle half of this now and competition is strong and will remain strong.

WESTCOAST TRANSMISSION CO.LTD. EL PASO NATURAL GAS CO.LTD.

ADDITIONAL GAS APPROVED SUBJECT TO CONTRACT PRICE RENEGOTIATION - El Paso Natural Gas Co.Ltd. has received authorization from the Federal Power Commission to import to the U.S.A. an additional 200 million cubic feet of natural gas per day from Westcoast Transmission Co.Ltd. The authorization is subject to a new price contract to the one currently filed with the Commission. A lower price to El Paso is required. The Commission has recommended a price of not more than 29½¢ per 1,000 cu. feet at a 95% load factor without periodic price escalations or renegotiations over a 20 year period would be in line with prices Westcoast Transmission currently charges its large customers in Canada.

Frank McMahon, chief executive officer of Westcoast, stated that the company has only received a telegram covering the decision and any comment must await receipt of the full text of the report along with a period of time to study its implications.

He stated that it does appear that the decision is more favourable than the previous one made by the presiding examiner but until the text is studied,we can make no comment.

DIVIDENDS

Central Del Rio Oils Ltd. will pay a semi annual dividend of 11¢ plus an extra dividend of 4¢ on Dec.15, record Nov.17,1967.

→ HIGHMONT MINING CORP.LTD. NIPPON MINING CO.LTD.

COMMITMENT MADE FOR $250,000 FOR UNDERGROUND BULK SAMPLE - Nippon Mining Co.Ltd. has advised Highmont Mining Corp.Ltd. of its decision to advance a further $250,000 for a bulk sampling program to include the driving of an adit 1,500 feet long and three 100 foot raises. Under the Oct.14,1966, agreement, Nippon Mining Co.Ltd.was required to advance the sum of $250,000 on or before Nov.30,1967. This sum is now committed to Highmont and the bulk sampling program will be placed underway immediately. Nippon Mining Co.Ltd. is entitled by the agreement of Oct.14,1966 to convert the loan of $250,000 into shares of Highmont at $1.25 per share. The bulk sampling program should be completed in the late fall.

Highmont Mining will hold its annual meeting in the board room of the Vancouver Hotel, at 2:30 p.m., August 18,1967.

HIGHMONT MINING CORP.LTD.

NIPPON MINING DECISION AWAITED ON NEXT PHASE OF DEVELOPMENT - Highmont Mining Corp.Ltd. has issued an annual report for the thirteen months from March 25,1966 to April 30, 1967, which shows exploration expenditures for the period of $477,783, administrative expenses $50,847. At April 30,1967, the company had current assets $79,018, current liabilities $17,653, investments of $10,000 being 100,000 shares of Minex Development Limited, these shares are in escrow. Of the 5,000,000 shares authorized, 2,037,005 shares are issued.

The report by R.W.Falkins, president, reviews the recent report from Chapman Wood and Griswold on the results of the programs on the Highland Valley property. (See GCNL No.135). He states that the next phase of the exploration and development program is under study by Nippon Mining Co.Ltd. and that it is hoped to have the decision by the end of July.

W.G.Hainsworth, consulting geologist, reviews the work to July 24 by stating: that percussion holes totaled 262 for a footage of 61,116 feet, that diamond drill holes totaled 16 holes for an aggregate of 8,278 feet, that overburden is estimated at 12.6 feet deep, that induced polarization surveys have been run over 15.4 miles of line spaced at 400 foot intervals and 200 foot spacing and that trenching totaled 8,160 feet.

SHEBA COPPER MINES PEEL RESOURCES LTD. CASSIAR CONSOLIDATED SUMITOMO

DETAILS GIVEN OF TWO LARGE ZONES OF COPPER-MOLY MINERALIZATION - Peel Resources Ltd., which has the largest single share position in Sheba Copper Mines Ltd., has issued a progress report covering exploration results on Sheba's 105-claims in Highland Valley. Details are given of 2 large mineralized zones:

"The first zone in the northeastern part of the property measures 3,600 ft. long with widths varying from 50 to 400 ft. This mineralized area is located at the contact between Bethlehem granodiorite and the Guichon granodiorite. It is the contact area of these 2 rock formations that hosts all of the orebodies of Bethlehem Copper Mines Ltd. The mineralization in this northeastern zone appears to be mainly bornite with very little chalcopyrite and no visible pyrite.

"The other mineralized zone, located in the southeastern part of the property and only partially delineated, measures approximately 2,000 ft. long and 800 ft. wide and is still open on the northern extension. This zone is mineralized with molybdenite, chalcopyrite and bornite, and is located near the Highmont ore body. Sumitomo is bringing back its I.P crews to conduct a survey on the ground north of this mineralized zone to determine its extent in this direction.

"Current work involves line cutting on the ground adjacent to the newly found mineralized zone in the southeastern part of the property and 3 trenches each 400 ft. long on the northern part of the bornite zone in the northeastern section.

"The I.P. survey recently completed located 4 anomalous areas near the Bethlehem-Guichon contact. The Geochemical Survey located 3 anomalous zones, 2 of which are coincidental with the 2 above-mentioned mineralized zones."

By agreement dated March 31,1967, Sumitomo Metal Mining of Canada Ltd. acquired 160,000 Sheba shares at 62.5¢ p/s. The proceeds of $100,000 were used for the first stage exploration work on the property. Other major shareholders are Peel Resources Ltd. with 1,240,664 shares and Cassiar Consolidated Ltd. with 705,663 shares of the 2,173,000 shares presently outstanding.

GIANT MASCOT MINES LTD.

EXPLORATION NEAR NICKEL-COPPER MINE TO BE EXPANDED BY CONSULTANTS - A firm of international geological and mining consultants have been retained by Giant Mascot Mines Ltd. to assist the company in its continuing and expanded exploration program in the area of the nickel-copper mine near Hope,B.C.

The consulting firm is Sumiko Consultants, an associated company of Sumitomo Metal Mining, of Tokyo,Japan. Members of the consulting firm will assist the geological staff of Giant Mascot in the program of regional geological, geochemical and geophysical survey work. Prime purpose of the current work is the correlation of the large amount of surface information collected over many years with the detailed geological and structural information collected over the recent years in the underground mining and development work.

Dr.H.Ohtsu, formerly with the Geological Survey of Japan and M.Kiyokawa have arrived from Japan to undertake the geologic and geochemical phase of the program and Dr.S.Hasayowa will handle the geophysical phase.

W.C.Gibson, president of Giant Mascot, has also reported that promising results have been obtained from the recent exploratory diamond drilling for the downward extension of the 1900 ore zone and the upward extension of the 2200 ore zone. Development is continuing on both of these zones along with the underground and surface exploration program.

The third quarter report will be available in about two weeks and will show a considerable improvement in profits as a result of the higher grade ore treated during the quarter.

Development work is continuing at the Canam copper property with a progress report to be prepared shortly, the president stated.

ATLAS EXPLORATIONS LIMITED

Atlas Explorations Limited has reported an intersection of 25 feet of 1.2% copper in its Australian, Red Hill property.

DALEX MINES LTD.

I.P. SURVEY FOLLOWED BY DRILLING NEXT STEP AT NANCY PROPERTY - Copper, molybdenum, silver and nickel are the targets in the exploration program being carried out by Dalex Mines Ltd. on its Nancy group of claims, midway between Lytton and Lillooet on the west side of the Fraser River.

This season, stripping, trenching and road building have been largely completed in the southerly sections of the claims. Samples taken from some of the 21 trenches completed were assayed by J.R. Williams & Sons Ltd. June 16 and 17, and showed values to a high of 13.4% copper and 5.35 ounces silver per ton.

M.H. Currie, president, says also that phase #1 of J.P. Elwell, P.Eng., report has progressed as scheduled with 28,700 feet of line cutting completed, a geochemical survey carried out over a distance of approximately 5.3 miles, 10 miles of road either constructed or repaired and stripping and trenching largely completed over the #2 and #3 mineralized zones.

Results have indicated a mineralized zone stretching over 3 miles with widths of at least 3,000 feet.

Several geologists who have visited the property have suggested that the company continue the present program and further define the boundaries of mineralization. All of the mineralized zones lie on the downslope side of a major fault system running north-south and parallel to the Fraser River.

An induced polarization survey followed by diamond drilling will complete phase #1 and is scheduled for this season. (For previous items, see GCNL NO.5(1967), 224(1966).

NORCO RESOURCES LTD.

DIAMOND DRILLING CONTRACT LET TO TEST GEOPHYSICAL ANOMALIES - A diamond drilling contract has been let to Kootenay Explorations Limited, to drill a minimum of 3,000 feet on the company's 127 claim property on Theodosia Inlet, north of Powell River.

Thomas McKenzie, president, says also surface exploration consisting of line cutting, geological mapping and magnetometer surveys have been completed on the area to be drilled. The dirmond drilling will be carried out mostly along a shear zone to define the limits of a mineralized zone that has shown consistently high airborne and ground mag readings.

Depths of holes will be determined by the engineer as drilling progresses with a possible depth of up to 1,000 feet. This program is to explore two large anomalies measuring over 2,800 feet in length and up to 800 feet in width. (See previous item, GCNL NO.76(1967).

STUMP MINES LTD.

BULLDOZING EXTENDS KNOWN LENGTH OF VALUES IN MINERALIZED ZONE - Work has resumed on the Stump Mines Ltd. Ketza River claims near Ross River in the Yukon.

The first phase of the program is to extend the 'A' zone that has been exposed by bulldozing for a stripped length of 600 feet with an average width of 4 feet that yielded channel sample assays averaging 32.6 oz. silver per ton and 27% lead. An additional 1,200 feet of the 'A' zone is outlined on the Stump property by a geochemical survey and is presently being explored by trenching for channel sampling.

FOR THE RECORD

Acklands Limited reports that preliminary figures, for the first half of the company's current fiscal year, indicate sales in excess of $36 million and profit before taxes of approximately $515,000.

Panco Poultry Limited will pay dividends of 69¢ per Class A share and 25¢ per common share, both on July 31, record July 18,1967.

Island Tug & Barge Limited will pay a dividend of 50¢ per 5% cumulative participating redeemable preference share on August 1, record July 19,1967.

B.C. SECURITIES ACT REGISTRATIONS - Sinmax Mines Ltd. has received registration under B.C. Securities Act covering the sale of 150,000 shares at 30¢ per share.

Offshore Oil & Gas Corporation Ltd. has received registration under the B.C. Securities Act covering the sale of 300,000 shares at 75¢ per share.

Diversified Income Securities Limited has received registration under the B.C. Securities Act covering the sale of Diversified Income Shares A and Series B.

Highmont Mining Corporation Ltd. - In explanation of the 31.6¢ per pound figure for copper used by Chapman, Wood & Griswold Ltd.; in arriving at a $3.28 per ton estimated value on the potential ore, Mr.Chapman tells GCNL that the 31.6 (Can.) figure is the estimated net realized per pound amount payable at the mine after trucking, loading, ocean freight, smelter charges, and allowances for smelting losses. This 31.6¢ (Canadian) is equivalent to the current U.S. domestic price of 38¢ per pound (41¢ Canadian). The 9.4¢ per pound difference covers the various cost factors mentioned. This explanatory information should be read in conjunction with the summary of the consultants' report in GCNL No. 135(Page 1).)

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JULY 13,1967
NO. 135(1967)

WESTERN CANADIAN INVESTMENTS

WESTERN BROADCASTING COMPANY LIMITED

* Two-for-One Split in Shares Approved Unanimously at Shareholders' Meeting
* Business in First Quarter Ahead of Last Year in All Divisions

Unanimous approval was given by shareholders of Western Broadcasting Company to a two-for-one split in the shares at a meeting July 12, at which 377,083 of the 440,517 issued shares were represented in person or by proxy. When formalities are completed, registered shareholders will receive certificates for one additional share for each share held.

Increased market interest this year has resulted in a rise in the price to yesterday's range of $28½ to $28 7/8 compared with the price of $12 7/8 at which a secondary offering of 90,000 shares was made in June,1966. F.A.Griffiths,C.A.,president, said the reason for the split was to broaden the number of shareholders. He pointed out that, as market interest increased, there was a tendency for trading in small lots. The change would reduce the inconvenience of small lot trading and the 2-for-1 basis had been recommended by those consulted.

Following the meeting, the president told GCNL that Western Broadcasting business in the fiscal year which started April 1,1967, has been ahead of last year in all divisions.

W.J.Hughes,executive, explained in this connection that owing to the seasonal influences on radio advertising, it is the last quarter of the year which tells the tale as regards performance for the year. He said the "A" months for advertising were March,April, May and June, and September, October and November. He put December, July and August into the "B" category and noted that December is a two-week month as far as advertising is concerned. This left January and February which required much advance Continued on Page Two

HIGHMONT MINING CORP.LTD.

* Start of Production Appears Possible in Time to Ensure 3-Year Tax Exemption
* $1,350,000 Program in 3 Stages Could Develop Ore for Minimum Daily Rate of 10,000 Tons
* Consultants Project Likelihood of Capital Recovery Plus 10% p/a on Investment

Chapman,Wood & Griswold Ltd., consulting mining engineers and geologists, have recommended a 3-stage program to further evaluate Highmont Mining Corporation's copper-molybdenum deposits on the westerly slope of Gnawed Mountain adjacent to the Lornex and Bethlehem properties.

The proposed $1,350,000 program would include the consultants' firm recommendation that $500,000 be spent in the first stage for driving a 2,900 foot adit and 625 feet of raises to provide bulk samples as a conclusive check of drill results. This first stage would also provide installation of a temporary crushing and sampling plant to permit accurate sampling of each round mined from underground workings and sample storage and stock piling facilities would be installed. Estimated time for this stage is 180 days.

Stage 2 would be implemented at the one-third to one-half way point of Stage 1 if results to that time prove favorable and would cost a minimum of $500,000 for a pilot flotation plant capable of handling at least 100 tons per day and an assay laboratory. Stage 3, for a further $350,000, would be contemporaneous with Stage 2. This would comprise in addition to more drilling and geophysical work, detailed studies of water and power sources and surveys of tailing and waste disposal areas.

R.W.Falkins, Highmont, president,makes it clear that the consultants' report is now being reviewed in detail by Nippon Mining Co.Ltd. which firm is providing funds for the Highmont program. Nippon's decision whether to proceed with the recommendations is hoped for before July 31. Mr.Falkins says if the work proceeds without loss of time and with favorable results, directors believe production could be reached during 1970,and that full tax exemption under present laws would be applicable in accordance with the statement of the Minister of Finance on May 11,1967. The president provides additional information as follows:

"The program will be targeted to confirm drill hole assays to date and if representative of true grade, the properties are reported by the consultants to contain sufficient amounts of copper and molybdenum to support a large scale mining and concentrating operation on a profitable basis. On percussion hole results to date, the partially delineated mineral reserves are estimated by the consultants, including drill indicated and inferred category as, potential ore 45,397,000 tons grading 0.300% copper and 0.098% molybdenum sulphide; low grade 12,411,000 tons grading 0.185% copper and 0.044% molybdenum sulphide. Ratio of waste to ore grade is given at 0.47 to 1.

"The consultants using a figure of 31.6¢ Canadian per lb. copper and $1.73 Canadian per lb. molybdenum place a value of $3.28 per ton on the potential ore. (Continued on Page 2)

(Continued from Page One) HIGHMONT MINING CORP. LTD.

"The deposits are open for extension both in depth and laterally and the chances of developing additional reserves at approximately the drill indicated grade ore, maintaining an acceptable waste to ore ratio, are considered good.

"Preliminary flotation tests as run by Britton Research Ltd., of Vancouver, have given exceptionally good results. On the basis of their bench tests, Mr. Britton estimates a minimum copper recovery of 87% resulting in a 25% copper concentrate and a minimum 80% molybdenum recovery with a concentrate grading 91.7% molybdenum sulphide. Both concentrates contain minor amounts of precious metals.

"The consultants also advise that if values can be established and current tax laws continue in effect, the Highmont property can be placed in production at a minimum mill rate of 10,000 tons per day with profits resulting from operation permitting repayment of required capital plus a minimum return of 10% per annum on initial investment at current and foreseeable metal prices.

"The figures in the preliminary feasibility report and pit design have been calculated to a depth of 250 feet only which was the cut off depth for the percussion drilling. Diamond drilling consisting of 15 holes confirmed that mineralization continues to below 500 feet.

"Highmont Mining Corp. Ltd. has an authorized capital divided into 5,000,000 shares, of which there are currently 2,057,005 shares issued and outstanding. Of these shares, Nippon Mining Co. Ltd. is the holder of 400,000 shares and Torwest Resources (1962) Ltd. is the holder of 1,000,000 shares. At the conclusion of all share financing, the company would have 3,860,005 outstanding, of this Nippon Mining Co. Ltd. would own 2,123,000, Torwest Resources (1962) Ltd. 1,000,000, and 757,005 in the hands of the public.

"Nippon Mining Co. Ltd. is providing funds for the exploration and development of the property under an agreement dated for reference October 14th, 1966, approved by the Highmont shareholders by special resolution on October 28th, 1966. To date, $350,000 has been advanced by Nippon Mining Co. Ltd. for such work and converted into 400,000 shares of Highmont Mining Corp. Ltd. A further $250,000 is required to be advanced by Nippon Mining Co. Ltd. on or before November 30th, 1967. Nippon Mining Co. Ltd. is required to bring the Highmont property into commercial production by March 1, 1974, and to provide all of the necessary financing to do so. Highmont Mining Corp. Ltd. and Nippon Mining Co. Ltd. have also agreed in principle to a 15-year product sales agreement at E. & M.J. export refinery prices for electrolitic copper and E. & M.J. prices for all other products."

CONTINENTAL CONSOLIDATED MINES LTD.

CAPITAL CHANGE PROPOSED TO FACILITATE NEW VENTURE - Shareholders of Continental Consolidated Mines Ltd. have been notified of a meeting July 26, to consider consolidating the authorized capital of 5,000,000 shares of which 3,785,580 are issued to 500,000 shares with a maximum price for which such shares may be issued of 50¢ of which 378,588 are issued, that is, on a 1 new for 10 old basis. The authorized capital would then be increased to 5,000,000 shares and the maximum price changed to $2.00 per share.

A change in name to Continental Cinch Mines Ltd. is also proposed.

The notice says the changes are designed to clear the way for acquisition of a property of merit on terms directors consider favourable concerning which information may reach shareholders before the meeting.

MAJESTIC MINES LTD.

CLAIMS STAKED AT LAC LARONGE 2½ MILES SOUTH OF SCURRY DRILLING - Majestic Mines Ltd. has acquired 30 claims in the Lac LaRonge area of northeastern Saskatchewan. The property is located approximately 1¼ miles south of the Scurry Rainbow property line and about 2½ miles from their drilling site.

Noranda Mines borders Majestic's ground on the west and northwest. Other exploration companies in the immediate area include Rio Tinto and Madsen Red Lake.

John T. Kilby, president, says the claims were staked by the company's consultant, E.G. Kennedy, P.Geol., of Calgary. An engineering report with a recommended work program is expected shortly.

Since acquisition, the company says it has been approached by parties interested in participating in the exploration program. Consideration of one offer is now being given by company officials.

Majestic's program is continuing on the 130 claim uranium prospect at Beaverlodge Lake, Saskatchewan. The company also holds ground adjoining the Ventures Mining molybdenum prospect in the Summerland area of B.C.

Continued from Page One WESTERN BROADCASTING COMPANY LIMITED

planning and effort to keep up revenues. Provision is being made for this but a bad winter weatherwise could bring about a noticeable effect. Last year, with no snow, results were better than average. Western's agreement to lease the Canada Safeway building at 8th and McBride, New Westminster, as its new headquarters will be signed within the next 10 days, he expected, with occupancy expected before May 1, 1968, as offices and operating facilities for CKNW.

HIGHMONT MINING CORP.LTD.

+ Contract for Preliminary Feasibility Study Let to Chapman,Wood & Griswold,Consultants

R.W.Falkins, president of Highmont Mining Corp.Ltd., has reported that Chapman Wood, and Griswold Ltd. have been appointed to the consulting engineers and geologists to prepare the preliminary feasibility on the company's copper molybdenum property.

Chapman,Wood and Griswold will act as consulting engineers and geologists and will review the exploration work completed to date and recommend the course and scope of exploration and development of the second stage of development which is expected to require approximately $1,000,000. Champan, Wood and Griswold Ltd., have acted as consultants to Craigmont Mines Ltd., Endako Mines Ltd.,and Brenda Mines Ltd., and are Canada's outstanding specialists in low grade large tonnage mining operations.

In reviewing the work to date on the property, located in the Highland Valley area of B.C.,and adjoining to the east the property of Lornex Mining, Mr.Falkins stated that $518,000 has been spent on the property since September 1966 of which Nippon Mining Co.Ltd. has provided $350,000, Under the exploration-financing agreement,Nippon Mining has the option to provide the funds to production for a 55% interest in the common shares of the company when commercial production is underway.

Nippon Mining also has the right to advance the funds for the second phase of development of the property.

Drilling has totalled 257 percussion holes and 33 diamond drill holes to date and is continuing with two percussion rigs and one wire line diamond drill. The April program is to include 7,000 feet of stripping on the main ore zone and the drilling of large core holes for metallurgical studies, including preliminary crushing and flotation tests which will be done by Britton Research Laboratories. Also to be carried out immediately will be lithogical and mineralogical studies, completion of assaying and drill sections, ore reserve calculations,and preliminary pit design.

Highmont has in sight a large tonnage low grade molybdenum and copper operation. Careful studies are necessary to lay out the major development program and to test all phases of operation including bulk sampling, with a pilot mill and additional flotation crushing tests, and to confirm ore reserves by a systematic drilling program, the president stated.

The annual meeting of Highmont will be held in about two months at which the initial study by Chapman,Wood and Griswold will be presented.

GILL INTERPROVINCIAL LINES LTD.

SUBSTANTIAL INCREASE FORECAST FOR REVENUE AND PROFITS IN 1967 - Harold Freeman, president of Gill Interprovincial Lines Ltd.,in reporting an increase in revenue for the year ended Dec.31,1966, to $8,723,936 compared with $4,771,081 and a net profit increase of $1.15 per share compared with 81¢ per share in 1965, states that,on the basis of current operations,it is anticipated that a substantial increase in freight revenues will be realized in 1967 and a corresponding improvement in net income is also projected.

Operating statistics were given by the president: freight handled 223,000,000 pounds (1965 - 110,916,468 pounds), mileage travelled 13,200,000(1965 - 7,805,699), average load mile ratio 16.9 pounds(1965 - 14.2)

Gill Interprovincial has entered into an agreement to lease a new 10 acre terminal in Toronto from one or more company directors. The shareholders meeting will be asked to approve this lease contract. The notice of meeting indicates that the contract to be approved is that the directors will purchase the terminal from a third party and then will in turn lease the terminal to Gill. Construction of the new terminal is to start in April with completionscheduled for August 1967.

Equipment added during the year included: 20 trailers to a new total of 403, seven new diesel tractors to a total of 47, local delivery units increased to 99, staff increased from 219 to 375 chiefly by the acquisition of Pacific Inland Express.

Arrangements have been completed for the purchase of 40 diesel line-haul units which will replace leased units. Gill is also making arrangements for the acquisition of an additional 50 line-haul trailers at a cost of more than $1,000,000. The president states that further expansion in central and eastern Canada appears warranted.

The Dec.31,1967 balance sheet shows current assets $1,310,381, current liabilities $1,253,494, term debt $1,008,075, accumulated tax deductions applicable to future years $44,341, fixed assets at cost after $629,428 in accumulated depreciation, $1,516,168, franchises, operating rights and goodwill at cost $839,521. Of the 1,000,000 authorized common shares,451,136 shares were issued at year end.

SOUTH PACIFIC MINES LIMITED

NEW ZEALAND TO START JULY 31/67 - The annual meeting of South Pacific Mines Limited was told that mining is now underway on the Tui Mine in New Zealand, in which South Pacific has a 38% interest and that the 100 ton per day mill is expected to start operations by the end of July,1967. Additional funds will have to be provided to get the property into production and it is expected that the funds will be raised by an interest bearing loan which will be repaid out of production proceeds in the first two to three years. Ore reserves were estimated at the meeting as about 100,000 tons of 20% combined lead-zinc plus 1 oz. silver and 0.5% copper. The prospects are for about 500,000 tons of ore on known showings. A detailed report on the South Seas-Trojan property is to be completed June 1,1967 by Dr.Pentland.

File →

RH

Highmont Mining Corp. Ltd.

Highmont Mining Corp. Ltd. has announced a second advance, this time of $200,000, by Nippon Mining Co., Ltd., well before the due date of April 30, 1967. The payment entitles Nippon to a further 200,000 shares of Highmont stock, in addition to the 200,000 shares purchased last fall for $150,000. Nippon has the right to convert all its cash advances into Highmont stock at prices rising to $2.25 per share. Ultimately Nippon would gain control of the Highmont company by purchasing 2,123,000 common shares for $3,536,375. Nippon is committed to providing major financing for production, should that objective be achieved.

The Highmont property consists of 34 mineral claims, adjoining the Lornex property in the Highland Valley on the east. Possible ore was estimated February 17 at 72,300,000 tons grading 0.25% copper and 0.064% molybdenite. Molybdenite content is increasing notably in new drilling westward toward the common Lornex-Highmont border.

Pine Point Mines Limited

Pending publication of the annual report in the latter part of March, W. G. Jewitt, president of Pine Point Mines Limited, has announced that subject to audit, net earnings resulting from the operation of the company for the year ended December 31, 1966, were $34,200,000 or $7.57 per share, compared to $22,100,000 or $5.55 per share in 1965.

The president also announced that production of lead and zinc concentrates from the former Pyramid mineral claims will commence in early 1969.

Pyramid claims were acquired by Pine Point from Pyramid Mining Company Ltd. last June. Since that time, the president said, work has been carried on in exploring the claims for establishing ore reserves, investigating the water table, preparing the claims for production, design of the concentrator and the expansion and ancillary facilities including housing. Expenditures on this work have amounted to $300,000 to date.

The present concentrator on the Pine Point lead-zinc property, which has a designed capacity of 5000 tons per day and is fully utilized in processing ore from the original Pine Point mine, is being extended by a 3000-tons-per-day addition to the plant which will be utilized solely in processing ore from the Pyramid claims.

Completion of the undertaking involves the expenditure by the company of up to $16 million in the work already done and in open-pit preparation, and in the extension to the concentrator and other facilities. This compares with $23 million spent on Pine Point's original claims and the 5000-ton concentrator.

Giant Mascot Mines Ltd.

Release of the quarterly statement for the period to December 31, 1966, proves that president W. Clarke Gibson was conservative when he told the annual meeting of shareholders last month that the operating profit for the quarter would be at least three times as much as in the first quarter of the previous fiscal year. Results reveal a profit of $280,328 before provision for depreciation and taxes as compared with $70,153.

In the three months to December 31, 1966, (figures in brackets cover the comparable period of 1965) Giant Mascot obtained production valued at $766,783 ($474,388) after milling 76,482 (80,897) tons of ore. Miscellaneous income was $956 ($6,460). Operating expense included $232,982 ($201,986) for mining, $103,858 ($107,746) for milling, and $110,032 ($62,463) for exploration and development. Administrative expense was $40,539 ($38,500). Capital expenditures were $88,457 ($51,575) and charges for exploration and development at the Canam property were $11,584 ($24,342).

Coast Silver Mines Ltd.

Coast Silver Mines Ltd. has discontinued drilling and closed its temporary camp 10 miles southeast of Quesnel B.C. Four diamond-drill holes, driven on an anomaly with strong I.P. indication, have failed to encounter commercial mineralization. President Orville Baker advises that the company has arranged for an I.P. survey to be made by H. O. Seigel & Associates Ltd. on Coast Silver's 34-claim group in the Pine Point area, N.W.T. The company has a 50% carried interest in the Jan and Summit claims, adjoining the property of Gibraltar Mines Ltd. Gibraltar, which holds the other 50%, will direct a drilling programme to start early in March.

'67

HIGHMONT MINING CORP. LTD. FILE: HIGHMONT

EXCITING NEW WORK PROGRAM SEEKS PROJECTION OF BETHLEHEM'S J-A ZONE - While a feasibility report in April 1971 recommended a $65,000,000 plant of 25,000 tons daily capacity for Highmont Mining Corp. Ltd.'s Highland Valley copper-molybdenum deposit, R.W.Falkins, president, says in the annual report that conditions made it impossible to conclude negotiations on acceptable terms for concentrate sales and senior financing. Consequently, negotiations are still in progress, he adds. During 1971, an additional $1,300,000 was spent on development, most of which was for the final detailed engineering and design work. This was financed by Teck Corp. on basis of Teck receiving 400,000 Highmont shs. at $3.25 p/s, thereby completing the second phase of the first exploration agt.

Mr.Falkins says the exciting outlook for 1972 results from the important discovery by Bethlehem Copper Corp. of the J-A copper orebody. He points out that the Highmont geological field staff began a study of the area controlled by Highmont-Teck as to 70% and known as the Jericho-Gaza properties. Surface geology indicates that the zone to be explored is at the intersection of 2 prominent area faults and straddles favorable contact. Survey work has been started

Of Highmont's 6,000,000 common shs. authorized, 4,068,338 are outstanding, including 26.3% owned by Torwest Resources (1962) Ltd. and 21.3% owned by Teck.

Highmont received new funds of $1,409,388 in 1971 and spent $1,469,386. The decrease of $59,998 left working capital at yearend at $29,767.

FOR THE RECORD

Delta Hotels Ltd. in a letter to shareholders dated 22Jun72, states that, because of certain irregularities in mailing, the notice of a meeting for 4Jul72 and the material accompanying it is to be ignored. (GCNL 116 and 122 refers). Shareholders are asked to give attention to a new notice calling a meeting at Vancouver Airport Inn, 10Jul72 at 11 a.m. and to note an outline of the proposals dated 22Jun72 accompanying the notice. A meeting of the Class "A" preference shareholders will be held at 10 a.m. on the same day at the Airport Inn to deal with resolutions which would vary the rights attached to their shs.

Choqua Oil Co. Ltd. president R.E.Hallbauer in submitting the report for the year to 31Dec71, says that royalty income for the year to 31Dec71 increased but was insufficient to meet operating costs. Brameda Resources Ltd., made up the deficiency. There has been some activity in two non-producing properties in which Choqua has a royalty interest, but there is no indication when revenue from them can be expected. Royalties received in 1971 are shown at $516 and loss for the period at $526. Working capital deficiency at yearend, $356. Total owing Brameda, $50,861. Of 6,000,000 shares authorized, 2,685,439 issued, unchanged during the year. Brameda owns 81% of the 3,335,439 shs. reported outstanding at 1Jun72. Oil and gas leases are carried at a nominal $1 value.

Mt. Hyland Mines Ltd. president, J.D.Pacey reports completion of an induced polarization survey of 10 claims near the Liard River and indicates several zones of increased chargability responses which may extend as far as 400 ft. below surface. On basis of results 2 diamond drill holes totalling 1000 feet have been recommended and are planned. Regarding the 1.8% working interest and a 99/100th net interest in Senor Mortensen well in Uintah Basin Oil field, Utah, it has been drilled to full depth of 15,255 feet and has been brought under control with a 4½-inch liner cemented in place. Also the company is participating 25% in 2 wells in Alberta.

Torwest Resources Ltd. annual report says its chief asset is its 1,071,100 shares of Highmont Mining Corp. Ltd. (see review of Highmont annual report above). Recently Torwest optioned a 50% interest in a large block of claims extending NW from the Afton discovery. R.W.Falkins, president, says the property occupies a 4-mile sector of the favorable structure that contains the Afton orebody. The agreement calls for a firm work commitment of $150,000 in 1972 with additional option work requirements over 4 years of $350,000 to earn the 50% interest. Teck Corp. is to carry out the initial program on behalf of Torwest to earn Torwest shs.at the rate of 30¢ p/s against this outlay. Torwest has divested itself of its equity in Red Mountain Mines and maintains a 20% net interest in the property. Holdings in Highland Valley, Babine Lake and La Ronge areas have been kept in good standing. In 1971 Torwest received new funds of $30,165 and spent $70,182. The decrease of $40,017 increased working capital deficiency to $188,020. Of 10,000,000 shs. authorized, 7,070,000 are issued, unchanged during the year.

Azure Resources Ltd. (formerly New Indian Mines Ltd.) says the new management noted in GCNL 32(72) intends to have its consultant examine its Stewart and Highland Valley properties with a view to obtaining recommendations as to further exploration. Also other properties are being examined for possible acquisition. Of 5,000,000 shs. authorized, and 681,000 outstanding following the 1-for-5 capital consolidation the company reports 754,282 in escrow.

Stump Mines Ltd. started 1971 with working capital of $64,485, added $32,242 during the year to 31Dec71, chiefly from sale of 200,000 shs. and ended the year with working capital of $33,900. Expenditures totalled $62,827. Of 5,000,000 shs. authorized, 2,935,005 were outstanding at yearend. No mineralization of economic importance was found after 1700 feet of diamond drilling in 4 holes at optioned claims in Larder Lake mining division, Ontario and the operation was allowed to lapse. Agts. covering claims near Sudbury and in Sturgeon Lake area were also allowed to lapse.

Dalton Resources Limited shares and Glen Copper Mines Limited shares are no longer in primary distribution.

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George Cross News Letter

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WESTERN CANADIAN INVESTMENTS

SUNLITE OIL COMPANY LIMITED

6 MOS. ENDED MAR31 1972		1971
Revenue	$ 120,784	$ 167,081
Operating Exp.	8,593	3,782
Gen. & Admin.	113,804	98,779
Carrying Chgs.	27,515	31,374
Exploration Etc.	20,357	102,032
Write-Offs	33,786	20,300
Property Sale Gain	15,360	19,155
NET LOSS	$ (67,911)	$ (70,031)
Working Cap.	$2,705,572	$4,014,224

The Sunlite Oil Company Limited six month statement shows the revenue decrease resulted largely from a decrease in interest income from investments.

Exploration and development expenditures were principally for a twelve-well drilling program for Milk River gas in the Medicine Hat area of Alberta and for 8.33% share of drilling a gas well in the North Sea in conjunction with Ranger-Sea Search Group.

Expenditures amounting to $745,800 were made during the past six months for property acquisitions. Approx. $365,000 was spent for additional leases in the deep Jurassic Smackover trend of northwestern Florida and southern Alabama. Producing properties in the Reddell field of Louisiana and in the Val Verde area of Texas were acquired during the past six months for $300,000. These properties are expected to produce annual revenue of approx. $60,000. An additional $45,000 was spent to acquire the Milk River Gas Permit upon which the company carried out its twelve well drilling program. The cost of a dry hole amounting to $24,000 drilled on the McMillan Lake prospect was capitalized as it earned additional acreage.

Subsequent to 31Mar72, the company received a refund of advance rental on leases in the Bethel Basin area of Alaska amounting to $147,000 and spent $410,000 to acquire an additional 25,500 acres in southern Alabama.

CITEX MINES LTD.

FURTHER DRILL RESULTS - Citex Mines Ltd. has reported B.C. wireline diamond drilling is continuing on the Greenstone claims on the north shore of Kamloops Lake. DDH No.4 is nearing completion and DDH No.5 will commence immediately. The electromagnetic survey has established the presence of E.M. conductors and the results are being correlated in conjunction with the geochemical survey. The three diamond drill holes completed are spaced approximately 350 feet apart.

The DDH No.3 cut 120 feet averaging 1.30% copper including 50 feet averaging 1.84% copper, with one 10 foot section assaying 3.66% copper. (See GCNL NO.100, page 1, 25May72 for earlier results).

HIGHMONT MINING CORP. LTD.

HIGHLAND VALLEY PROGRAM - Highmont Mining Corp. Ltd. will be doing a full scale exploration program on the NW section of the Jericho claim group, in which Highmont-Teck owns a 70% interest. The favourable location is just to the south and east of I.R. 14 along Witches Brook on line with the projection of the J.A. zone of Bethlehem Copper Mines. Surface geology indicates that the zone to be explored is at the intersection of two prominent area faults and straddles the favourable contact between the Guichon quartz diorite and the Bethlehem quartz diorite contact which is in the same environment relative to the Guichon Batholith as the Bethlehem E & W Jersey, the Iona pits and the J.A. zone.

At present, 17 miles of lines are being cut for an induced polarization survey, which is to commence early in June. Following the I.P. survey, a minimum of 4000 feet of diamond drilling is scheduled in the area of the greater overburden. Also scheduled to start in early June is a program for a munimum of 3000 feet of percussion drilling where overburden is is not so great.

DAVENPORT OIL & MINING LTD.

KAMLOOPS PROPERTY DEAL PLUS NEW FINANCING - Davenport Oil & Mining Ltd. is the owner of 21 Crown Granted mineral claims, immediately west and south of the property of Comet Industries Ltd. and Initial Developers Ltd. approximately six miles west of Kamloops, B.C. Under a 24March72, contract Davenport Oil & Mining made a property exploration development agreement with Comet Industries and Initial Developers Corp.Ltd., as to 50% each, whereby the two companies can earn a 70% interest in the claims by placing them into commercial production. If the costs to production exceed $10,000,000 then the interest earned increases to 80%. To keep the contract in good standing Comet and I.D.C. must spend a minimum of $25,000 in 1972, $50,000 in 1973 and $75,000 in 1974 on the exploration of the property. The notice of intention to place the property into production must be given by 31Dec76, and production must be attained within five years of giving notice.

Davenport Oil was formed the the merger of three companies for which there were share exchanges on the following basis: one Davenport for each six shares of Kamloops, Copper Consolidated Ltd.- each two shares of Consolidated Prudential Mines Ltd.- each 10 shares of Midland Petroleums Ltd. The shares of Davenport were listed on V.S.E. 30May72, since which date West Coast Securities has underwritten and exercised options on:400,000 shares at 35¢, 200,000 shares at 40¢ per share placing $220,000 in the treasury and bringing the issued shares to 2,309,991 of which 330,500 are in escrow. Diamond drill testing of a large geophysical target on the property is now underway with encouraging initial indications.

HIGHMONT MINING CORP. LTD.

EXPLORATION AND FEASIBILITY WORK - NEARING COMPLETION SHAREHOLDERS TOLD

Following is the text of 4Dec70 report by R.W.Falkins, president of Highmont Mining Corp.Ltd. covering work on its Highland Valley B.C., mine. "The engineering, mill and pit designs and all other ancillary programs, such as waste and tailings disposal, power and water studies, are all rapidly drawing to conclusion on the proposed 25,000 tons per day plant. The final metallurgical studies have shown that the recovery of molybdenum has been increased from 77%, as previously reported, to +83% with a 92.5% recovery for copper. The final copper concentrate will grade 32% and the molybdenum concentrate will grade at least 54% molybdenum.

"In addition to this, two diamond drills have been drilling continuously on three different programs. The first program was to fill-in drill some areas of the west pit and, secondly to drill areas set aside for waste and tailings disposal. Recent diamond drilling has been concentrated 1500 ft. to the south of the two main ore zones and south of the east-west dyke. This drilling has outlined a new ore zone approximately 2500 ft. long.

"The drilling program has been of an exploratory nature between two known zones which were approx. 2600 ft. apart that had previously been drilled and had indicated a significant tonnage of ore grade material. Three drill holes on the west end showed assays of 200 ft. of 0.46% copper equivalent, 300 ft. of 0.37% copper equivalent and 270 ft. of 0.32% copper equiv. At the east end, several holes showed sections of ore grade: one of these showed 590 ft. of 0.43% continuous grade copper equiv. Four recent holes have been drilled between these two zones and have shown similar type of mineralization and incomplete assay results have shown the grade to be a little higher. Although the feasibility studies are calculated on the east and west pit areas only, this recent drilling indicates the existence of another zone adjoining to the south of the dyke which will add considerably to the ore reserves in the future.

"The financing of the exploration and development program since Oct.1/69 has been provided by Teck Corporation Limited. Teck has spent, to date, a total of $1,500,000. Under the terms of the agt., the first $1,000,000 was converted into Highmont shs. at $2.50 p/s; under the second part of the financing, which is now in effect, Teck is now providing up to $1,300,000 which is convertible in Highmont shs. at $3.25 p/s. Subsequently, Teck has assumed the responsibility to provide the financing, estimated at $61,000,000, to place the property into production. In consideration, Teck receives a 45% interest in the property.

"Meetings and preliminary negotiations on concentrate agts. have been underway for some time and are continuing with European, American and Japanese companies.

George Cross News Letter
Dec. 7/70

File Re Tec Corp etc

REFERENCE MEMORANDUM

Date Sept 21 1970

The attached papers are referred

To W O Irish

By P Sawyer, CCTC

Please reply direct	☐	Please handle	☐
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Please retain	☑	Please return	☐
Please initial	☐	Please file	☐

You have probably seen these already in GCWL but here they are again in case you missed them in the rush. P

HIGHMONT MINING CORP. LTD.

FEASIBILITY REPORTS - EXPECTED VERY SOON - The annual meeting of Highmont Mining Corp. Ltd. will be held on 30Sep70 at 11 a.m. in Hotel Vancouver. Nominees for election as directors are: John L.Gibson, president (holding 92,600 shares); Robt. W.Falkins (holding 41,001 shs. and who is president of Torwest Resources (1962) Ltd. which holds 1,000,000 shares); J.A.Kyles, treas. (3,700 shs.); Dr. N.B.Keevil, Jr. (holding 1,000 shs. and who is president of Teck Corporation which is earning a right to convert pfd. shares into 1,250,000 common shs.); Sir Michael Butler (nil shs.); Robt. E.Hallbauer (3,100 shs.) and F.Garfield Simpson (225,000 shs.).(See GCNL No.130,23June70 for Teck-Highmont **deal**)

The meeting will be asked to ratify various agreements with Teck Corporation. One provided for Teck to spend $1,000,000 on the Highland Valley property (now spent) with the right to convert that sum into shares at $2.50 per share up to 6Oct71. A second provides for Teck to spend $1,300,000 more convertible into shares at $3.25 per share. A third provides for Teck to spend up to $10,000,000 more, convertible at $5.33 into 6 3/4% conv., cum., red., preferred shares of $8 par value each. Of the 1,875,000 pfd. shs. which may be issued, 1,250,000 are exchangeable share for share into common shares. (Teck proposes to grant Robt. W.Falkins an option to acquire up to 12½% of pfd. shs. acquired by Teck at its cost).

Of 5,000,000 shares authorized, Highmont had issued 3,241,005 at 15Sep70. If all existing share purchase options are exercised, 4,095,338 shs. will be issued. If Teck exercises the right to convert its convertible preferred, the total common shares issued will be 5,345,338. Thus, concerning Highmont's authorized capital, the meeting will be asked to approve increasing the common by 1,000,000 shares to 6,000,000 and to create 1,875,000 preferred shares. The financial statements with the report cover 15 months to 31Mar70, and disclose that $847,500 was received from the sale of shares and a value of $13,334 was ascribed to 6,667 shares issued for the partial payment of claims. The company also received $2,765 from the sale of assets. The company spent $737,886 net on exploration development and administration, after deducting $41,998 for depreciation, and $30,610 on property and asset acquisition, ending the period with working capital of $116,083. Total exploration expenditures by the company in the period were $723,435, and total administrative expenditures were $112,505. Of the administrative expenses $39,000 were recovered from Teck. Short term interest income for the period was $17,056.

J.L.Gibson, president, states in the report, "A feasibility report under preparation by Teck Corporation engineers is nearing completion at this time and this will be followed in the near future by an independent report by our consulting engineers. All indications are that these reports will be favorable and an early start on construction is contemplated with a production start-up of 25,000 tons per day by mid 1972. Mining will utilize conventional 100-ton truck and 13 yd. shovel combinations working in two open pits concurrently, and will supply the concentrator with nine million tons of ore per year. The concentrator will be a conventional copper and molybdenum floatation plant with the exception of a possible application of autogenous grinding techniques which could result in some capital cost savings and improve mill operating costs. The estimated capital cost for the plant is in the order of $61,000,000.

"Pilot plant test work on large bulk samples taken from the underground working is 95% complete. Present indications are that copper and molybdenum concentrates can be marketed separately with concentrate grades of 32% copper and 54% molybdenum and with end recoveries of 92% copper and 77% molybdenum respectively.

"Of great importance in the early years of production is the potential at Highmont for up-grading the mill feed while stock-piling lower grade material. Also, the absence of oxidized material and the fact that overburden averages only 12 feet will result in time and capital cost savings.

"Computer techniques were utilized wherever possible to assist in pit designing and statistical analysis. In calculating copper equivalent percentages, a factor of 2.2 was used. All tonnages reported herein are mineable tonnages rather than the geologic tonnage referred to in previous reports. Using a cut-off grade of 0.20% copper equivalent, the total mineable reserve in the East and West pits is 150,000,000 tons grading 0.285% copper and 0.051% MoS_2 for a combined 0.400% copper equivalent. The stripping ratio for the above tonnage is 1.2-1. In the initial years of mining 50,650,000 tons, grading 0.331% copper and 0.060% MoS_2, combining for 0.463% copper equivalent, are available with a waste to ore ratio of 1.1-1."

FOR THE RECORD

Alberta Natural Gas Company has issued warrants to shareholders evidencing their right to subscribe for additional shares at $17 each on the basis of 1

CARIBOO-BELL COPPER MINES LIMITED

SHARE PURCHASE AGREEMENT DROPPED - Leitch Mines Limited has informed Cariboo-Bell Copper Mines Limited that the 19Mar70 share purchase agreement has now terminated. Under the agreement, Leitch provided $200,000 for the further exploration of the property located 70 miles east of Williams Lake, B.C. For this sum, Leitch received shares at 75¢ per share. Leitch had the right to provide a further $300,000 to be satisfied by shares at 90¢ per share on or before 19Apr71. Leitch also had the right to provide a further $500,000 to be satisfied by shares at $1.00.

Leitch states that the property undoubtedly warrants further development with geological ore reserves estimated at 48 million tons of 0.445% contained copper. However, to formulate the next stage of development, the company believes that it is prudent to evaluate the results of the summer program and to continue metallurgical investigations. The company expects to make further proposals at a later date.

CLARK CANADIAN EXPLORATION COMPANY

FIRST QUARTER - Unaudited results of operations for the quarter ended 31Aug70 have been reported by Gene Clark, Jr., president of Clark Canadian Exploration Company.

For the first three months of the current year (with comparative figures for the same period in 1969), revenues were $837,809($75,500). Net income was $121,881(loss $100,217).

Net earnings per common share, assuming full dilution, amounted to 6¢ compared to a loss of 5¢ for the same quarter in 1969.

Commenting on these results, Mr. Clark pointed out that the dramatic growth rate for the first quarter is not expected to continue at the same level for the remainder of the current fiscal year.

Also announced was the commencement of the company's current season's drilling program in Western Canada, with the spudding last week of the "Clark Canadian El Can TGS Pine C29B93-0-10" well in the Pine Pass area of northeast British Columbia.

Mr. Clark said that this was a joint venture of a group headed by Clark Canadian with El Can Petroleum Company, a Canadian subsidiary of El Paso Natural Gas Company. The well is programmed to explore a large surface anticline, never before drilled, and to test the underlying Middle Devonian formation to a depth of 7,000 feet. The joint venture area covers approximately 270,000 gross acres.

As part of the company's U.S. activity, an exploration program for natural gas is planned in the Gulf Coast area.

AABRO MINING & OILS LTD. CADILLAC EXPLORATIONS LTD.

FIRST CONCENTRATE LOAD TRUCKED TO PORT - The first 20-ton load of copper concentrates has been trucked to Neptune Terminals in N. Vancouver from the property near Greenwood, B.C., of Greyhound Mines Ltd. owned half each by Aabro Mining & Oils Ltd. and Cadillac Explorations Ltd.(GCNL 153, 27Jul70 refers). The concentrate is being stockpiled at the Terminals at a rate expected to be about 180 tons per month. It is to be shipped to Japan in loads of about 2000 tons. Greyhound's mill has a rated daily capacity of 2000 tons of ore.

FOR THE RECORD

Berton Gold Mines Ltd., president, J.C.Jackson, reports that total spent on exploration in the period 1Oct68 to 31Mar70 was $196,689 as follows: Iron Ore property, Eskimo Point, Keewatin Mining Division, $88,025; Bear Paw prospect, Choteau and Blain counties, Montana, $99,383; other $7,505; Macobee Coulee field, N.Dakota, $1,776. Working capital deficiency, 31Mar69 was $30,030 vs $25,258 at 31Mar69. Of 3,000,000 shs. authorized, 2,603,069 were outstanding at 31Mar70, including 810,000 in escrow, BCSC. During the 6 months to 31Mar70, the company issued 60,000 shs. for 12½% interest in Bear Paw gas leases; and 120,000 shs. for an interest in the Macobee Coulee oil leases, N.Dakota. The auditors notes bring out the following: Since 31Mar70, Berton has abandoned its interest in the Bear Paw gas wells as a result of an independent engineer's report on the economic feasibility of the gas field. On 16Dec69, the company was advised by its engineers to suspend operations on the iron ore Keewatin district claims for the time being. In event of a sale of the claims, Berton will receive from the proceeds its expenses then J.C.Jackson would receive $70,000 and the balance would be paid to Jackson and Berton in ratio of money spent by the company and Jackson. Also Jackson was unable to obtain clear title to the Macobee Coulee oil and gas leases and the 120,000 shs. held in trust as part of the agreed consideration, will be surrendered to Berton. By a 5Jan70 agt., J.C.Jackson, J.R.McColl,

INTER OFFICE MEMO

CYPRUS EXPLORATION CORPORATION LTD.

VANCOUVER OFFICE

Date: October 30, 1968

To: Mr. J. G. Hansen

From: Mr. D. W. Tully

Subject: HIGHMONT MINING CORPORATION LTD.
HIGHLAND VALLEY AREA, B.C.

1. This is an open pit situation. The property is located two miles south of Lornex (Rio Algom). The company requires financing. The attached data is for informational purposes:

   - A Location Map
   - Feasibility Study - W.G. Hainsworth
   - 2nd Annual Report
   - Financial Statement - Sept. 30, 1968

2. As of early 1968, percussion and diamond drilling results from surface and underground lateral developments have shown several copper-molybdenum zones. The largest is the EAST ZONE which covers an area of 3.5 million square feet. This EAST ZONE has been calculated to contain 48 million tons to the 250-foot horizon grading:-

   0.233% Cu
   0.046% MoS_2

3. Current underground lateral development has shown additional mineralization in a drift length of 517 feet grading:

   0.346% Cu
   0.03% MoS_2

   The last 203 feet of the above drift development graded:

   0.567% Cu
   0.33% MoS_2

4. The Capital Stock is 5,000,000 shares
   Issued Stock is 2,600,338 shares (August, 1968)

Nippon Mining Company has advanced $390,000 convertible into common shares and has an agreement to sell all production from the property for 15 years.

Torwest Resources (1962) Ltd. own 1,000,000 shares.

5. Cyprus has an opportunity to examine this property which is located in "elephant country". The Valley Copper discovery (Cominco Ltd.) this year is on the same structure 4 miles to the north. The Lornex orebody is only 2 miles to the north. Both the Valley Copper and Lornex copper-molybdenum zones have in excess of 200 million tons each.

DWT/jel

Attachments

HIGHMONT MINING CORP. LTD. TORWEST RESOURCES (1962)LTD. THERMOCHEM INDUSTRIES LTD.

BRYNELSEN GROUP TAKE - ON TWO MORE COMPANIES Under agreements dated February 10, 1969, Thermochem Industries Ltd. one of the "Brynelsen Group" of Companies, has entered into participation in the exploration and development of the Highland Valley property of Highmont Mining Corp. Ltd. and in further exploration programs by Torwest Resources (1962) Ltd.

With respect to the Highmont property, Thermochem has received a one year management agreement which will pay Thermochem $25,000 and all out of pocket expenses. Elected directors of Highmont are B. O. Brynelsen, M. M. Menzies, M. E. Davis, J. Austin and D. Ross Fitzpatrick.

The continuing directors are J. L. Gibson, R. W. Falkins, A. R. Hanna, W. P. Clarke, and S. J. O. McClay. The new officers of Highmont are chairman J. L. Gibson; president; B. O. Brynelsen; executive vice-president; R. W. Falkins; secretary-treasurer; A. R. Hanna. The Highmont program is being financed by an underwriting held by McDermid, Miller & McDermid Limited under which 200,000 shares of Highmont were firmly sold at $3.15 per share to net the company $630,000. Options due April 15, 1969, on a further 200,000 shares at $3.15 per share and on a further 100,000 shares due July 14, 1969 at a price of $3.40 were granted. Of these options, 100,000 shares at $3.15 and 100,000 shares at $3.40 have been assigned by McDermid, Miller & McDermid Limited to Thermochem Industries Limited. In the event that Thermochem does not exercise the first option to purchase 100,000 shares at $3.15 per share on its due date, then the whole of the agreements between Thermochem and Highmont will be terminated.

A management committee for the direction of the Highmont development program has been established under the chairmanship of B. O. Brynelsen. The management committee has retained the services of Chapman, Wood & Griswold Ltd. as consulting engineers and geologists to proceed with completion of a feasibility program.

Under an agreement dated February 10, 1969, Thermochem has agreed forthwith to firmly advance to Torwest the sum of $100,000 which may, at Thermochem's option, be converted into 200,000 shares of Torwest at 50¢ per share. Thermochem also has an option within 60 days to advance a further $100,000 and wihin 90 days thereafter to advance a further sum of $120,000, the first of such advances being convertible into 200,000 shares of Torwest at 50¢ and the last of such advances being convertible into 200,000 shares of Torwest at 60¢ per share.

Elected directors of Torwest are B. O. Brynelsen, M. M. Menzies, M. E. Davis and D. Ross Fitzpatrick. The continuing directors are J. L. Gibson, R. W. Falkins, A. R. Hanna, W. P. Clarke, S. J. O. McClay and J. Austin.

The new officers of Torwest are chairman J. L. Gibson; president, B. O. Brynelsen; executive vice-president, R. W. Falkins; secretary treasurer, A. R. Hanna.

ARCTIC GOLD & SILVER MINES LIMITED

MILLING RESUMED- Arctic Gold & Silver Mines Ltd., has reported resumption of milling operations on the Company's gold and silver property near Carcross, Yukon. Milling operations resumed at 8:00 a.m. on February 26th, 1969, and it is anticipated that the mill will be operating on a two shift basis by March 14th, 1969.

During the latter part of March, the necessary parts and materials are expected to arrive on the property for the completion of mill modifications. These modifications entail installation of two center draw points on the fine ore bin, and modification of the coarse ore bin for better flow. On completion of the above modification, a third shift will be added to the milling operation. A fourth shift will be added as soon as feasible permitting a 330 ton per day through put on a seven days a week basis.

The underground exploration and development program at the Caribou Mine on both the 800 level and the 700 level is continuing. Excellent results have been obtained on the #7 vein or portal vein on the 700 level. A February 17th, 1969, report from Dr. Lisle T. Jory stated the following ore reserve summary figures for the Arctic Caribou Mine:

Proven	22,900 tons	0.48 oz. gold	19.6 oz. silver
Provable	77,110 tons	0.32 oz. gold	9.2 oz. silver
Possible	88,140 tons	No grade assign.	9.2 oz. silver

Known ore shoots lying between the 700 and 800 levels on No. 1, 2, and 7 veins will be developed in the near term. Following that, exploration for new ore will commence. If the proposed development schedule is maintained, 701 Drive E. will reach the area of surface geochemical anomalies before the end of the progress period, June 30th.

The proposed increase in mill through-put to 330 tons per day will require a minimum of 1000 feet of primary development per month and cannot be maintained without a good exploration success ratio. Equipment for the underground exploration and development program of 1000 feet of primary development per month, is now being shipped up to the property.

FOR THE RECORD

Melton Real Estate Ltd. will issue rights to shareholders of record March 21, 1969. The rights will be issued on the basis of one right for each share held and ten rights and $2.00 will be required to subscribe for one additional share of the company. The rights certificate will be mailed about April 1,1969. Rights will terminate at the close of business April 30,1969. The shares will trade ex-rights at the opening March 19,1969, and the rights will trade for cash at the opening April 28,1969.