

// → TROY SILVER MINES LTD.

**SULPHIDE CUT IN TWO DRILL HOLES** First two diamond drill holes are in abundant sulphides, including copper, on a large induced polarization anomaly on the Canim Lake, B.C., property of Troy Silver Mines Ltd.

George Leech, president, has reported that the two diamond drilling machines were continuing to work on the No.1 and No.2 drill holes on the anomalous area which was recently defined by Seigel & Associates Ltd. as 4,000 feet by 4,400 feet.

L.J. Manning & Associates, following a recent property examination, have reported that the No.1 Drill hole encountered abundant visual sulphides of pyrite, pyrrhotite and chalcopyrite (a copper sulphide) from 30 feet to 450 feet and that the No.2 hole, located 1800 feet from the No.1 hole, entered abundant sulphides at 310 feet and was drilling ahead at 415 feet at last report. Cores from both these holes are to be spilt and assayed. The continuing program has been budgeted at \$113,400 and is to include: additional induced polarization survey work, both further detail and general reconnaissance over untested portions of the property; geochemical and magnetometer survey and continued diamond drilling on the known targets plus testing as new targets are defined by the survey programs.

Mr. Leech stated that the drilling results are most encouraging to date and that the assay results will be of real significance in planning the details of the next phase of the drilling program.

On the Highland Valley property, a two-phase program costing an estimated \$116,900, has been recommended including geological mapping, road building, detail and extension of the reconnaissance induced polarization survey work and further drilling of the target area which has already yielded encouraging copper values. Negotiations with a major mining company on this Highland Valley property were not carried to a successful completion.

*HOGAN OR LEECH FOR THE RECORD WILL DELIVER REPORTS ETC.*  
St. Mary's Mines Ltd. vice president John Bandoian states that of the \$25,000 netted from the recent underwriting (GCNL 125,16Jun70), some \$12,500 will be used in the First Phase exploration recommended by J.W. Hogan, P.Eng., for the 40-claim Top group eight miles NE of Gibraltar Mines copper property in McLeese Lake area, central B.C. (see GCNL 115,2Jun70 for property and corporate data which shows Dick Hagopian as principal shareholder). Mr. Bandoian also reports that St. Mary's is investigating a number of mineral projects in Australia with a view to partnership with an Australian firm and another Canadian exploration company. *JAPS ARE INTERESTED SO WE ARE*

Normont Copper Ltd. reports that it is acquiring a majority interest in Rockwell Resources Ltd. through a share exchange which is subject to approval of B.C. Securities Commission. Rockwell is a private firm (incorporation noted in GCNL 121,10Jun70) with two properties in W central B.C. near Smithers. One is on Thoen Mt. 45 miles N of Smithers and the other, (the Bot-Susan group) on Babine Mt., 12 miles NE of Smithers. Both were reviewed in GCNL 111,27May70. Normont's president, Daniel W. Small, says work is planned for these properties and acquisition of more properties and resource companies is being considered.

Inter-Tech Development & Resources Ltd. annual meeting 29Jun70 was told by Robt. H. Collins III (then president) that the long-awaited clearances had at last been received for the drilling to completion of a well within Los Angeles. He expects oil production from there in about one month. This and other property interests were reviewed with the annual report in GCNL 129,22Jun70 and GCNL 51,5Mar70. Nominees listed in GCNL 129 were elected as directors. Officers appointed after the meeting are: Morton A. Sterling (a petroleum engineer in California) president; Mr. Collins, vice president; Raymond R. Taylor, vice pres; and Geo. E. Scott, secretary. *AT BEST 2<sup>nd</sup> LOOKERS.*

New Taku Mines Ltd. president, R.B. Kilshaw, says that, in 1969, the company sold its interest in Honda Mitsue field for \$70,000 which sufficed to pay New Taku's liabilities and to provide cash for a 10% interest in Taku Syndicate. He says the Syndicate's 2-year exploration program has uncovered 2 interesting claim groups totalling 200 claims and that New Taku and the other participants are this year continuing their participation in a \$300,000 program. In Jan. 1970, Cominco relinquished its lease on the Taku mill. Interested parties have discussed with New Taku the possibility of leasing the mill which would depend on the operation of Tulsequah Chief Mine formerly operated by Cominco. Including the \$70,000 aforesaid, total funds received in 1969 by New Taku were \$76,494 and net expenditures were \$33,350. The increase of \$43,144 in work. capital, left work. capital deficiency at 31Dec69 at \$24,934. In addition, the company held shares at cost of \$11,537 which had quoted value of \$6,817. Fixed assets are shown at \$1,688,610 net after \$481,869 accun. deprec'n. Current liab. were nil and funded debt \$300,563 plus \$97,868 in accrued interest payable after principally has been fully paid. Of 6,000,000 shs. auth., 2,498,005 were outstanding.

Highland Mercury Mines Limited has started fieldwork on its mercury property in Pinchi Lake area, north central B.C. The program consists of geophysical surveys and percussion drilling to obtain geological information in order to locate diamond drill targets. Percussion drilling and magnetic and seismic surveys are now underway. (For further property detail and review of annual report, see GCNL 130,23Jun70 and GCNL 94,2May70).

Rimrock Mining Corporation Limited by 26Jun70 agreement, T.K. Laidlaw & Co. Ltd., on behalf of a client, have underwritten 100,000 shares at 25¢ per share. B.C. COMPANIES ACT

NEW INCORPORATION:

Calbay Mining Corporation Ltd. - 1Jun70, registered office is 202-156 Victoria St., Kamloops, B.C., and auth. cap. is 3,000,000 no par value shares.

## FOR THE RECORD

New Gateway Oils & Minerals Ltd. for 6 months to 31Aug70 reports income of \$40,447 and net profit of \$36,037. This compares with income of \$974 and net loss of \$1,481 in 6 months to 31Aug69. Total funds provided of \$89,342, included \$88,000 proceeds from disposal of interest in mineral properties. This included a gain on the sale of \$39,105 included in income. Spent was \$24,659 incl. \$23,047 for work on mineral properties. The increase of \$64,683 brought work.cap. at 31Aug70 to \$16,865 vs a deficiency of \$47,818 one year before. F.O'Sullivan, president, says the company continued work on its oil interests in Provost-Hamilton Lake field with drilling completed in that area. All 13 wells in which Gateway participated were successful and are on production. The sale of a further 8 3/4% interest in the Hamilton Lake field provided funds to retire all the costs incurred in drilling and water flooding. Gateway retains a 10% interest in the 2,080 acres in Provost field and all production facilities associated with the 13 wells are owned by Gateway.

Northland Oils Ltd., Calgary, reports net revenue of \$28,561 for the year to 31May70 vs \$27,200 the year before and net loss of \$50,797 vs \$42,649. New funds were \$165,000 from sale of 330,000 shs. and 330,000 shs. were issued on conversion of debentures issued in 1969. Loss before amortization, depreciation and share of loss by 50% owned Channel Oils Ltd., was \$3,004. Other funds used were \$7,954 for adding to fixed assets and \$29,427 for advances to Channel. Funded debt was \$52,464 in 6 3/4% notes payable to National Petroleum Corp. Ltd. Subsequent to the yearend, arrangements were made to refinance these notes by a long-term note. The original note matured in September 1970. At 31May70, work.cap. was \$194,003 vs \$69,388 one year before. Northland continues to hold 20,000 shs. of Permeator Corp., acquired at cost of \$105,064, which, 15Oct70, had market value of approx. \$380,000 (U.S.). A recent completion in Uintah Basin, Utah, in which Northland participated, will be chemically treated and tested in the near future. It was drilled to 9,675 ft., encountering 730 net feet of gas-saturated sand. Casing has been run to bottom and cemented.

British Columbia Oil Lands Ltd. president E.G. Battle reports that the exploratory well, Panarctic King Christian D-18, was spudded 14Oct70 on acreage in which the company has a 14% working interest. Panarctic may earn a 77.5% interest in these lands. On October 24 preparations were being made to run surface casing at a depth of 2,010 ft. when the well blew out of control from the Triassic Heiberg Sand and the gas caught fire destroying the drill rig.

The Panarctic Homestead Hecla J-60 well on Sabine Peninsula of Melville Island was abandoned at a total depth of 11,865 ft. on 16Sep70. As noted in GCNL 152, 24July70, the company undertook a 3.15% participation in this well to earn a 1.575% interest in 30,000 acres. In 6 months to 30Sep70, revenue from oil and gas sold and interest earned was \$48,908 (vs \$42,701 in like period 1969). After expenses of \$24,237 (vs \$21,267), net earnings were \$24,671 (vs \$21,434) or 2.6¢ per share (vs 2.3¢). Working capital at 30Sep70 was \$165,630. Shares issued were apparently unchanged in the 6 months from 947,691.

Troy Silver Mines Ltd. intends to spend the \$60,000 proceeds from the underwriting noted in GCNL No.232, to continue exploration of its Highland Valley Chalco claims as recommended by J.W.Hogan, P.Eng., 1July70. This called for a Phase I estimated to cost \$71,900, to include geological mapping, I.P. surveying, X-ray drilling and AX drilling of selected I.P. anomalies. The Chalco claims straddle Pukaist Creek on the E side of Thompson River, 13 miles S of Ashcroft. The consultant advised a followup drilling program estimated to cost \$45,000. In the period 1Apr70 to Oct.30/70, the company spent \$27,815 on administration, \$23,476 on exploration at Highland Valley, \$56,147 at Canim Lake and \$2,840 for mineral claim payments. Work.cap. Oct.30/70 was \$19,641 vs \$38,091 at 1Apr70. New funds of \$80,000 were received by an underwriting of 200,000 shs. 3Aug70. Issued shs. prior to the 10Nov70 underwriting mentioned above were 1,650,002 of 3,000,000 auth.

Kopan Developments Ltd. reports that vacancies on the directorate on resignation 15Oct70 of M.Copper, R.Brown and F.W.Crowe were filled by Michael Solomon, Stan Rosen and Dr.R.Billinghurst. M.Soloman has been named president; R.W.Brown, v-pres; S. Rosen, sec-treas; Dr.Billinghurst and I.A.Wallace are the remaining directors. Proceeds of the underwriting option agt. detailed in GCNL No.232(70) will be used for general purposes, to option 32 claims in Cumberland Country, N.S., at cost of \$5,000 and 40,000 shs. and to carry out thereon a program advised by H.G.Harper, P.Eng., at estimated \$15,000, Stage I. The second stage estimated at \$24,000 will be considered when Stage I results are available. The 40,000 shs. to be issued to D.Kirsh, Toronto, as part consideration for the option will be offered pursuant to the statement to VSE relating to the new public offering, that is, at the market price prevailing from time to time. An unaudited statement shows that, in the yr. to 30Sep70, the company rec'd \$60,000 from sale of 400,000 shs., bringing issued shs. to 3,400,000 of 5,000,000 auth. Expended was \$49,502 and the increase of \$10,498 brought work.cap. at 30Sep70 to \$17,071.

Five Star Petroleum & Mines Ltd., Edmonton, will drill a test by agt. with Pinna Petroleum Corp. on a location of Pinna's choice in Section 27 or the NW 1/4 of Section 23-54-26, W4 (Villemueve, Alta.). Pinna has assigned the agt. to Shenandoah Oil Corp. The agt. calls for start of drilling before 30Nov70 to test the D-3 horizon (incl. the Cooking Lake formation). Pinna and its assigns, will earn a 50% working interest in the above lands. J.Reyda, Q.C., Five Star's president, says also the company has acquired new claims in Rankin Inlet, Baker Lake and Barbour bay areas, N.W.T. These are a short distance from Hudson's Bay, 300 miles north of Churchill, Manitoba.

Fortune Channel Mines Ltd. shares are no longer in primary distribution.