

TYEE LAKE RESOURCES LTD.

PROGRESS ON DUCKLING CREEK, PRINCETON - TELKWA RIVER PROPERTIES REPORTED Tyee Lake Resources Ltd. has reported progress on three properties. The company has received a progress report from Cominco Ltd. on their 1972 exploration of Tyee's Duckling Creek copper property 28 miles NW of Germansen Landing, north central B.C. Cominco is to notify Tyee by 31Dec72 whether or not they and MarubeniCanada Ltd. will exercise their option to explore the property in 1973. (Work commitments were for \$50,000 in 1971, \$75,000 in 1972 and would be \$100,000 in 1973).

Of the 5 known zones, most 1972 work was done on C zone (discovered by Cominco last year) and on B zone (discovered and explored by Kennco Explorations in the early 1960's). The program comprised magnetic, soil sampling and I.P. surveys plus trenching and percussion drilling--5 holes on C zone and 3 on B zone. Hole depths averaged 148 feet. The aim was to test zones of higher induced polarization chargeability. Assay results showed widespread mineralization (all 8 holes carried it) but the grade was uneconomic. Limited mapping and prospecting was done on D zone and trenching and soil sampling on E zone. Both zones are near and over the contact of intrusive with volcanic rocks. Neither zone has been drilled. Both are 1000 feet from A zone, D being northeast and E south. The first of 5 holes Tyee diamond drilled in 1970 on part of an I.P. anomaly in A zone cut 180 feet averaging 0.514% copper and 0.020% molybdenite. The other holes were also well mineralized with chalcopyrite. The southern part of that anomaly has not been drill tested. Also untested is G zone (which lies between A and D zones.). Here, limestone contacts intrusive and volcanic rocks. Near the zone massive chalcopyrite float was found which assayed over 5% copper.

On its property near Princeton, B.C., Tyee reports trenching underway to test several encouraging anomalies located by soil sampling and magnetic surveys in favorable geologic settings near the intrusive contact.

On its Telkwa River property, joint venture exploration is being discussed with a major firm.

FOR THE RECORD

Teck Corporation Limited on Oct.27/72 reported suspension of dividend payments. N.B.Keevil, chairman, has stated that the financial position of the company has improved from \$11,500,000 (\$2.48 per share) in 1966 to \$37,600,000 (\$5.52 per share) on 31Aug72. The Teck Group has acquired interests in important new mineral reserves, including the Afton copper deposit, Sukunka and Bullmoose coking coal projects, the Highmont and Schaft Creek copper deposits, and the St. Honoré columbium deposit.

Although some of these projects may be self financing and others, such as Sukunka, maybe developed through farmout arrangements, it is anticipated that Teck will be called upon to provide or stand behind some of the capital expenditures necessary to bring these into production.

Cominco Ltd. raised its domestic price for cadmium in ton lots on Oct.31/72 to \$3.00 per pound, from \$2.60 per pound. Its price for less than ton lots is now \$3.20 vs \$2.80 per pound.

Block Bros. Industries Ltd. will pay a semi-annual dividend of $3\frac{1}{2}\%$ per common share on 2Jan73, record date 15Dec72.

Lori Explorations Ltd. plans to use the \$27,000 proceeds of the underwriting detailed in GCNL 210(72) as to \$10,000 to carry out work on the TIA claims recommended by J.A.Mitchell, 12Jul72; as to \$5,000 to be loaned to Collinsville-Twin Creek Inc. for work on the jointly held Alaska placer property and as to \$12,000 for general purposes. Work planned on the TIA property 8 miles SW of Kamloops, B.C., calls for complete geological mapping and soil sampling, 6,000 ft. of percussion drilling and assaying of cores. In his report of 12Jul72, Mr. Mitchell in summary says the 16 claims, including 2 staked recently, cover a complex geological situation where intrusive rock and intruded rocks on the fringe of the Iron Mask batholith are intermingled. Copper mineralization has been found on and near the claims in both intruded andesites and intrusive microdiorites. Gold-bearing quartz veins have been tested in the past by at least 3 shafts on the TIA 5 and 6 claims. He concludes that work done indicates that other areas may carry better mineralization than found in the areas tested. Regarding the Alaska project, the company says that by Oct.24/72 the finishing plant was virtually completed, but the dredging operation had shut down for the winter.

Acaplomo Mining & Development Co. Ltd. says it plans to the best of its financial ability to carry on its exploration program on its Makelstin claims on Iron Mountain near Merritt, B.C., and to start the program on its VA claims in Kamloops mining division, as recommended by J.P.Elwell, P.Eng., 19Apr72.

Bow River Resources Ltd. reports that geophysics on its Anyox property in July located 2 coincident magnetic and turam anomalies. Consultants recommend these be tested by diamond drill with further work to depend on drill results. On completion of spend-ind \$10,000 on this program, the Bow River commitment for 1972 with Interplex Mining will be completed. A total of \$75,000 has been spent on Bow River's Dowling Coal property earning for Texacal Resources Ltd. an undivided 60% interest. No work is planned at present on the company's other properties. Purchase of Nicola area claims as noted in GCNL 204(72) for 500,000 shs. brought issued shares to 1,724,601.

Spectroair Explorations Limited option due 24Dec72 will not be exercised by Brink, Hudson & Le e er Ltd. as to $37\frac{1}{2}\%$, West Coast Securities Ltd. as to $37\frac{1}{2}\%$, and Adam & Co. as to 25%, being that on 100,000 shs. at 35¢ each under a 13Jun72 agt. which, by mutual agreement, is now cancelled.

Thunder Valley Mines Limited share trading was suspended on 1Nov72 by Vancouver Stock Exchange pending clarification of the company's overseas activities.

Alaska Kenai Oils Ltd. shares are out of primary distribution.

TYEE LAKE RESOURCES LTD

ENCOURAGING RESULTS ON TELKWA - Tye Lake Resources Ltd. announces that recent geological RIVER & PRINCETON CLAIMS REPORTED inspection and geochemical soil sampling have established two promising targets for drill testing on the Telkwa River copper property near the eastern contact of Howson batholith 30 miles SW of Smithers, B.C. The exploration was supervised by D.D. Campbell, Ph.D., P.Eng.

Regarding the western target area, Dr. Campbell states in his 28Aug72 reports that a length of 1,000 feet within the area is more or less continuously mineralized with copper stain and leached chalcopyrite in intensely fractured, faulted and pyritized volcanic tuffs. This area was partially trenched and probed by 104 feet of pack-sack holes by the previous owner. Trench results are shown in the box

<u>Trench</u>	<u>Footage</u>	<u>Copper</u>
NO. 1	0 - 50ft.	0.35%
NO. 2	0 - 70ft.	0.43%
NO. 3	0 - 55ft.	0.56%
NO. 4	0 - 10ft.	0.21%

Dr. Campbell states that the weighted average of the samples from all trenches and pack-sack drill holes (whose core recovery was very low) is 0.35% copper, which, considering that it comprises a sampling of an outcrop measuring some 600 by 300 feet in area over a vertical interval of about 200 feet, is of considerable interest. He says the geological setting of the western target area suggests the possibility of a large tonnage porphyry copper type deposit.

The central target area was discovered by soil sampling. This anomaly is about 1000 feet long by 400 feet wide with copper content up to 2080 p.p.m. Mr. Campbell says the soil anomaly possibly reflects a strata-bound deposit since it is parallel to the trend of the volcanic layers. He adds that the surface size is appreciable enough to indicate the existence of a possible large tonnage deposit.

Dr. Campbell recommends diamond drilling to test the two target areas and this the company intends to do.

Elsewhere, soil sampling, geological mapping and magnetometer survey are currently underway on the 126-claim property near Princeton, B.C. Results to date indicate several interesting anomalies have been outlined. Details of results will be announced as soon as available.

FOR THE RECORD

Brown-Overton Mines Ltd. by Oct. 3/72 has had 250,000 shares underwritten at 23¢ each by Carlisle, Douglas & Co.

Equatorial Resources Limited by 7Sep72 amending agt. has issued 50,000 shares to Barry E. Cope for an 85% interest in the BEE 1 and 2 claims in Kamloops mining division.

Makao Development Company Limited has had 200,000 shs. taken down at 50¢ each by Continental Securities Corporation (1971) Ltd. being the final option granted under a 23Jun72 agt. amended 28Aug72.

Flagstone Mines Limited option granted on 200,000 shares at 31¢ each has not been exercised by Canarim Investment Corporation Ltd. being that due Oct. 13/72 under a 9Feb72 agt. amended 11Aug72 and now cancelled.

Adonis Mines Ltd. shares are out of primary distribution.

Panex Resources Ltd. offering of 250,000 shares at \$1 each by 29Sep72 prospectus was registered Oct. 6/72 with B.C. Sec. Comm. The prospectus will shortly be reviewed in GCNL. Meanwhile at the annual meeting Oct 11/72 directors were re-elected:

David P. Gray, manager (owning 144,000 shares), Mervin E. Davis (nil shs. but whose associate Charlotte W. Davis, owns 375,080 shs.); Harris M. Davis (159,323), all of Vancouver area, Fred T. Cousins, sec. (81,500); John B. Holland (81,500) both Calgary, and Delbert D. Lewis (157,786) of Edmonton. Of 3,000,000 shs. auth., 1,847,111 were issued as at 26Sep72.

Correction: Columbia Beneficial Holdings Ltd. has 17,000 shareholders rather than 1700 shareholders as wrongly noted in GCNL 197(72).

Great Northern Petroleum & Mines Ltd. has allocated the \$100,000 in new funds from the underwriting noted in GCNL 196(72) as fol.: \$22,500 for estimated cost of a water disposal system in the Sunrise field recommended by Oilfield Consultants Ltd., 6Sep72; \$40,000 to pay accounts of oilfield suppliers for work completed and other outstanding accounts; \$28,005 to pay on land lease rentals incurred on company properties to date in favor of Canadian Superior Oils Ltd.; \$9,495 for general purposes. If all or any share options are exercised the proceeds will be used for exploration and development of the Sunrise, Westlock and Pleasant fields. Prior to the new financing 2,598,755 shs. had been issued including 75,000 in escrow. In 5 months to 31Jul72 the company received \$207,880 in new funds (chiefly \$163,000 bank loan) and spent \$105,023. The \$102,857 remaining resulted in reducing working capital deficiency to \$60,476 at end of the period. In their report on the Sunrise Field, Oilfield Consultants Ltd. said gas has been produced from the Paddy and Cadotte sandstone formations in this field due west of Dawson Creek, B.C., but that the 2 wells formerly producing are shut-in awaiting completion of water disposal facilities. Producibility of the field depends on converting a third well into a water disposal well and completing required injectivity tests.

Correction: Greenland Exploration Company Ltd. story in GCNL NO. 194 showed the Pinex liabilities are valued at \$2,500,000. This should

read Pinex assets are valued at \$2,500,000.

TYEE LAKE RESOURCES LTD.

NEW CLAIMS ACQUIRED IN SUMMER CREEK/ADONIS AREA - Ten miles north of Princeton, B.C., in the Summers Creek area, 138 claims have been staked by Tyee Lake Resources Ltd. in 3 contiguous blocks. H.Ogata, president, says an early start is planned on an exploration program being prepared by consultant Douglas D.Campbell, Ph D., P.Eng. The property is adjacent to and on the east side of the Axe group on which Adonis Mines Ltd. is currently drilling three copper zones (GCNL 140(72)). It also adjoins property which Kalco Valley has optioned to Teck Corp.

Mr.Campbell reports that Tyee's claims generally straddle 4½ miles of the west contact of an intrusive granitic batholith which has a large number of copper occurrences along it, generally on the volcanic side of the contact. Tyee's claims are near the confluence of Rampart and Summers Creeks. In this vicinity the trace of the west contact of the intrusive is very sinuous and irregular says Dr.Campbell.

RIVERWOOD RESOURCES LTD.

DEAL PROPOSED FOR INTEREST IN AN ASPHALT DEPOSIT IN AFRICA - The annual meeting of Riverwood Resources Limited(1Aug72, 10 a.m., Georgia Hotel, Vancouver) will consider a proposal to approve a 21Jul72 agt. made among the company, the Riverwood Corporation and Bill R.Faudree providing for the company to acquire 50% working interest in the lease to Riverwood Corp. from Cia. dos Asfaltos de Angola of some 9,521 acres of asphalt deposits about 60 miles N of Luanda in Angola.

In his 1May72 report, Stuart R.Snow, consulting mining engineer, says significant work including core drilling has been done only in one area of some 689 acres. This indicates large reserves of bitumen in limestone strata of the same formation from which crude oil is produced by offshore wells. Laboratory tests indicate a favorable possibility of retorting the material for extraction of the bitumen in the form of crude oil which would then be processed into roughly 50% diesel fuel oil and 50% commercial asphalt. Within the 689-acre area tested, Mr. Snow says, data indicates possible reserves of 61,000,000 barrels of crude oil which, if retorting proves feasible, could return 25% per year over 26 years on a \$16,825,000 (U.S.) investment in plant, housing, etc. Also, total cash flow after rental payments, taxes at 48% and interest at 8% per annum on unamortized portion of capital plant would approximate \$107,000,000 (U.S.).

Closing of the agt. is conditional on the company netting not less than \$225,000 from a share underwriting as well as on shareholder and Vancouver Stock Exchange approvals. The agt. provides for the company to pay up to \$168,000 being lease payments of \$10,000 (U.S.) by 15Aug72, and \$20,000 (U.S.) by 30Jun73 plus up to \$138,000 toward the proposed work program which is estimated to cost \$120,000 (U.S.). Thereafter, costs would be borne 50% by the company, 25% by Riverwood Corp. and 25% by Mr. Faudree.

A 2-stage work program is proposed, Stage 2 being dependent on the outcome of proposed tests by Lurgi-Ruhrgas (W.Germany) to determine the economic feasibility of its proven flash carbonization process in retorting the Angolan asphalt. If within 8 months of the closing date of the agt. Lurgi fails to indicate a feasible retorting process, the 50% working interest would then be vested in the company. If in that 8 months Lurgi does indicate a feasible process then the company would issue 100,000 shares to each of Riverwood Corp. and Mr. Faudree or pay each \$100,000 or pay each 85% of the value of 100,000 shares based on average market price over 15 trading days preceding Lurgi's statement, whereupon the 50% working interest would be vested in the company.

For Riverwood Resources' property interests and finances as at 30Jun72, see GCNL 143(72). As noted in GCNL 144, shares were listed 26Jul72 on V.S.E. Of the 3,165,005 shares issued, 83.7%, being 2,650,000 are owned by Riverwood Corporation of Midland, Texas. 1,800,000 shs. are escrowed.

Nominees for election as directors are: Wm. B.Neely, president(also president of Riverwood Corp.); Wm. B.Neely III, v.pres.; Dorothy L.Neely, assistant sec.; Robt. M.Mann, treasurer (also treas. Riverwood Corp.); Jose M. Caetano, v.pres.(lawyer, Lisbon, Portugal); and Stanley E.Jerome, Ph.D.(Vancouver).

WILEY OILFIELD HAULING LTD.

<u>9 MONTHS ENDED JUNE 30,</u>	<u>1972</u>	<u>1971</u>	
Revenue	\$5,747,433	\$3,671,967	All phases of company operations contributed to the record 9-months' net income(see table) says Victor N.Osadchuk, president of Wiley Oilfield Hauling Ltd. He reports piping for Westcoast Transmission's looping program progressed through the third fiscal quarter(ended 30Jun72) and is scheduled to complete in the 4th quarter. Work for major pipeline construction in N.Ontario began in the 3rd quarter and should continue well into the next fiscal year which starts
Oper. & Admin. Expense	3,218,735	2,330,893	
Depreciation	273,327	216,238	
Interest Expense	66,415	126,055	
Current Income Tax	925,800	437,602	
Deferred Income Tax	181,800	62,400	
NET INCOME	\$1,081,356	\$498,679	
Earnings Per Share	\$1.18	63¢	
Shares Issued	916,010	793,905	

Oct.1/72. The firm recently secured several significant contracts to support exploration in Arctic Canada in the coming work season. One is to supply much equipment to Gulf Oil Canada Ltd. over two years for a major program in the Mackenzie Delta-this includes some of the largest trucks and tracked vehicles to be used there.

Wiley has signed an agt.(subject to U.S.regulatory bodies' approval) to buy for cash all issued stock of J.L.Cox & Son, Inc.(of Raytown, Missouri), a private firm certified to string line & haul related materials in 47 states & the District of Columbia. Of the \$1,000,000 of convertible debentures, Series A sold in March 1971(GCNL 5(72) refers), \$989,500 were converted, prior to redemption date 15Jun72, into 164,812 shs. Under employee stock option agt., 6,600 shs. were issued during the 3rd quarter.