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SUMAC - Pitman
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New copper find hailed in northern B.C.

By LEN TAYLOR

An extensive copper, silver and zinc discovery, which some mining men interpret as a high-grade copper prospect, has been made in the Pitman River area of the Liard region.

Officials of Imperial Oil Ltd. confirmed Monday that a company exploration team has been working on the site for three years. One of them said it will probably be amenable to open pit recovery. They refused to label it high-grade copper.

The Imperial party and another group from Sumac Mines Ltd. and Sumitomo Metal Mining Canada Ltd. have confirmed the presence of three sulphides in deposits of large but as yet undetermined extent. Imperial and Sumitomo are reported to have agreed that any development will be on a joint basis because of the side-by-side relationship of their claims.

Imperial holds 358 claims and Sumitomo is reported to have about 120. The discovery area is about 250 miles northeast of Prince Rupert.

Although the copper grades are not being announced, Imperial admits it is

considerably richer copper ore than in most known B.C. deposits and better than the 1.2 per cent per ton ore proven at some Stikine River properties owned by several other companies. In B.C. mining considerations such ore would be considered high-grade.

This would make the discovery an important one in a province where the largest mines are open pit working ore with an average copper content of from 0.4 to 0.5 per cent.

Extent of the Imperial discovery is about one mile in length so far but the width and depth of the ore body has not been determined.

Exploratory work is proceeding this year with upwards of 8,000 feet of drilling planned.

Imperial's interest in the Pitman River property stemmed from its participation in preliminary exploration in 1968 as part of a consortium. Imperial scientists realized from the anomaly that there was some prospect of a sulphide ore deposit. Electromagnetic surveys confirmed that this was the case.

BUSINESS

BOB McMURRAY, Business Editor

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In some respects, a company official said, the Pitman River deposits more resemble mineralization in Eastern Canada than the conventional porphyry rock working in B.C.

The majority of copper deposits in B.C. are of the porphyry variety in that there are large tonnages of copper sulphide ore disseminated sparsely through a host rock. Ore grades are typically less than one per cent copper.

Massive sulphide copper deposits also contain copper sulphide ore but in higher concentrations.

Sumitomo, it was learned, had been working independently about the same

time as Imperial and discovered surface ore with the same indications of mineralization as those shown by the Imperial drills.

The present drilling program is the third for Imperial and is expected to produce data about the extent of the orebody on which development decisions can be based.

The find confirms prophetic lines in the 1973 B.C. mines department Geology, Exploration and Mining report (GEM).

This report says the JEFF claims, as they are called, are located about 13 miles south-southeast of Rainbow Lakes near the headwaters of an eastern tributary to Kutcho Creek, at about 4,200 feet elevation.

"Sulphide minerals comprising mainly pyrite and traces of chalcopyrite and sphalerite are found in the quartz-sericite schist and may be localized along a lithologic boundary of volcanic rocks, including acidic units, on the south with sedimentary rocks, including carbonate lenses on the north..."

"The possibility of massive sulphide

mineralization was indicated by the presence of a crudely banded, high-grade float boulder weighing about 300 pounds located by P. Ziebart. A representative sample of the float boulder assayed copper, 13.7 per cent; zinc, 4.7 per cent; lead, 0.25 per cent; gold, 0.035 ounces per ton; and silver, 3.4 ounces per ton."

Sumitomo is reported to be proceeding with an exploration program for 10,000 feet of diamond drilling this year. The Imperial program will increase its exploratory drilling to more than 18,000 feet by the end of this year.

Last year Texasgulf Inc., exploring the Red group of claims, west of the Klappan River in the Liard district, announced a series of drill hole assays of one per cent copper in feldspar porphyry. The property is being explored by Texasgulf on option from Silver Standard Mines Ltd.

A spokesman for Texasgulf said here Monday that there is nothing new to announce about the property but a drilling program now getting under way may produce a report by July or August.

Two brokers plan big merger

TORONTO (CP) — Burns Brothers and Denton Ltd. and Fry Mills Spence Ltd. have agreed in principle to merge the two investment firms on March 1.

The two firms said in a statement Monday that the merger is subject to the approval of shareholders of both companies and regulatory authorities.

The new firm, to be known as Burns Fry Ltd., will be one of the largest brokerage houses in Canada. R. Jack Lawrence, president of Fry Mills Spence, will be president of the new company while Latham C. Burns, president of Burns, will be chairman.

C.P. earnings drop

MONTREAL (CP) — Canadian Pacific Ltd. reported Monday preliminary net income for 1975 of \$174 million, or \$2.40 a share, a drop from restated net income of \$194 million, or \$2.67 a share, in 1974.

However, fourth quarter earnings were \$3 million, up from \$37.9 million in the fourth quarter of 1974.

The company said its CP Air unit re-

Freer economy urged

Gov't getting out of hand?

By KEN BELL

Far from contemplating any further massive extension of government power and control over the economy, thoughtful Canadians should be calling for reappraisal of the functions now being undertaken by the various levels of government to assess both their worth and necessity, Harold Corrigan, president of the Canadian Manufacturers' Association (CMA) said here Monday.

Corrigan was addressing the luncheon session of an anti-inflation seminar held by the British Columbia division of the CMA.

Reviewing the role of government, Corrigan, who is president of Alcan Canada Products Ltd., said the proliferation of government at all levels has had a vast impact on the Canadian economy since 1950.

"While the gross national product increased sevenfold in this period, the spending of all governments, excluding transfer payments, today is 13 times greater than it was in 1950," he said.

"In a sentence, 44 cents of every dollar earned by Canadians last year passed through the hands of the three levels of government. In 1950, the same amount



HAROLD CORRIGAN

He said the CMA's board of directors had discussed the role of government at a meeting in late January and had decided upon a program of research on the issues and communication with members, the public and the government.

salary increases, price changes and the level of government spending, including transfer payments."

In an interview after the luncheon, Corrigan said it was important to the success of the controls that they be seen to be having an effect as quickly as possible.

He said public opinion polls had indicated that more than two-thirds of the population supported the controls. Some of this support could lapse if there were no visible signs of the controls working.

Corrigan also said that he believed Canada's dollar was currently overvalued. The high exchange rate meant that Canadian goods could not compete as effectively in overseas markets and that imports were relatively cheaper, threatening domestic production of goods.

Asked whether the government might have diagnosed Canada's inflation problems incorrectly and as a result was using the wrong medicine, Corrigan said he believed some steps were necessary to break the inflation psychology, irrespective of the type of inflation involved.

Moves to reduce the growth of the money supply were probably needed, "but

Earnings

United Canso Oil and Gas Ltd., year ended Sept. 30: 1975, \$2,850,000, profit, 49 cents a share; 1974, \$97,500 loss, one cent.	000, \$2.38 a share; 1974, \$2,697,000, \$2.01.
United Corps. Ltd., nine months ended Dec. 31: 1975, \$2,260,000, 56 cents a share; 1974, \$2,501,000, 63 cents.	000, \$1.61 a share; 1974, \$21,695,000, \$4.10.
Corby Distilleries Ltd., three months ended Nov. 30: 1975, \$951,962, 84 cents a share; 1974, \$871,368, 78 cents.	000, \$16.02 a share; 1974, \$16,972,000, \$6.03.
Richard Costain (Canada) Ltd., year ended Dec. 31: 1975, \$3,207,000, \$2.38 a share; 1974, \$3,207,000, \$2.01.	000, \$2.38 a share; 1974, \$2,697,000, \$2.01.
000, \$2.38 a share; 1974, \$2,697,000, \$2.01.	000, \$2.38 a share; 1974, \$2,697,000, \$2.01.

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