

BOND YIELD AVERAGES

**YIELDS ON ALL GROUPS -** The McLeod, Young, Weir 40 Bond Yield Average as at February 29, 1968, rose 0.15% to a new high of 7.60%. The average yield at the end of January was 7.45%.

The yields on the provincial, municipal, utility, and industrial groups rose 0.25%, 0.02%, 0.16%, and 0.14% respectively.

No changes were made in the composition of the groups during February.

	February 28 1967	August 31 1967	January 31 1968	February 29 1968
10 Provincials	6.22%	6.83%	7.27%	7.52%
10 Municipals	6.44	7.08	7.58	7.60
10 Public Utilities	6.42	7.09	7.39	7.55
10 Industrials	6.63	7.20	7.58	7.72
40 Bond Yield Average	6.43%	7.05%	7.45%	7.60%
Average Maturity	15 years 11 mos.	16 years 10 mos.	17 years 10 mos.	17 years 9 mos.
Government of Canada 4½% September 1, 1983	5.64%	6.09%	6.72%	6.93%
Government of Canada 5¾% September 1, 1992	5.61%	5.91%	6.50%	6.65%
Government of Canada 6% December 15, 1971 (non-convertible)	- -	6.03%	6.74%	6.91%

FOR THE RECORD

Sherritt Gordon Mines Limited has reported preliminary results for the year ended December 31, 1967 (comparative 1966 figures in brackets), as follows:

Revenue from sales, \$49,375,000 (\$44,307,000); Operating profit; \$11,832,000 (\$9,655,000); Net earnings, \$5,392,000 (\$3,760,000); Net earnings per share, \$0.47 (\$0.33).

The 1967 annual report will be mailed late in March, 1968.

H.H. Hemsworth & Co. Ltd. announces the change of the company's name to Hemsworth, Turton & Co., Ltd. and a change of address to 555 Howe Street, Vancouver,

B.C. This change reflects A.E. Turton joining the company as a principal interest. In addition, the company has expanded their trading staff and have acquired a second seat on the Vancouver Stock Exchange. The research department has also been expanded. The company is now associated with an established Mutual Fund, Community Unit Fund.

Great Plains Development Company of Canada, Ltd. and Cominco Ltd. have entered into an agreement involving an exploration program for base metals in northern Saskatchewan.

Under the agreement, Cominco will conduct and finance the exploration program to earn an interest in mining claim blocks CBS 552, 555, and 556, totalling 5,030 acres in the La Ronge mining district.

Exploration on these claim blocks is now under way.

Cominco Ltd. has reported that R.J. Johnson has been appointed to the newly-created position of Industrial Sales Supervisor, Chemical and Fertilizer Sales. In his new position, Mr. Johnson will reside in Calgary where he will be responsible for sales of Cominco's line of industrial chemicals, excluding fertilizers.

Mr. Johnson graduated from the University of Alberta in 1959 where he obtained his Bachelor of Science degree. He joined market research at Cominco's head office, Montreal in 1966 where he was closely associated with chemical and fertilizer sales projects.

Allison Pass Mining Ltd. has reported acquisition of seven claims known as the Kam Group in the Shakwak Valley near Haines Junction, Yukon Territory.

The copper-bearing property was located by aeromagnetic survey conducted by the Geological Survey of Canada and the map released in 1967. Ron Granger, a geophysicist of Whitehorse, is the former owner of the claims.

Mr. Granger reports that this prospect was carefully staked and some magnetic prospecting was carried out to substantiate the suspected relationship with the aeromagnetic anomaly. This direct connection was established. Indicated width is in the order of 100 to 150 feet where crossed. Indicated length is in excess of 2000 feet and may approach 5000 feet. Interesting amounts of copper minerals with magnetite occur at the end of a long magnetic anomaly. It is probable that such a condition exists along the anomaly for a substantial distance.

Mr. Granger has been retained by the company to conduct a more intensive exploration program of this property immediately.

A new prospectus is presently being drawn up in order to arrange a new underwriting as soon as possible.

LODESTAR MINES LTD.+ Company's First Petroleum Play Encounters Productive Oil Well

Provident H.B. et al S.Gull 12-26-12-19W3 was spudded on July 6 and completed as a successful oil well on July 15,1967, at a depth of 4340 feet. This well was operated by Provident Resources Management Ltd. with Lodestar Mines Ltd. having an undisclosed interest. The acreage involved is near South Gull Lake about 40 miles southwest of Swift Current, Saskatchewan. Further information on the well is withheld pending land sales in the area.

The second oil well in which Lodestar Mines has an interest is Nevis 11-33-40-22 which was spudded July 29,1967.

Walter S.Davidson, president of Lodestar Mines Ltd., stated that the company's maximum expenditure on the South Gull Lake well is \$13,500 and that consideration is being given to continuing and increasing the company's participation in the petroleum exploration.

The company's 100 claims near Brenda Lake, B.C., have been explored by soil sampling and electromagnetic surveys which have indicated a number of interesting targets which are now to be tested by diamond drilling. The letter of intent on this ground with Anaconda was carried through to a formal contract but Anaconda has no continuing interest in the property having terminated the agreement.

Mr.Davidson stated that additional information can be expected from both the petroleum interests and from the Brenda Lake property drilling program in the near future. (See GCNL No.95, May 16,1967, and No.66, April 5,1967)

CASTLE TIN MINES LIMITEDMERIT OIL LIMITED

JOINT AUSTRALIAN ASBESTOS - Castle Tin Mines Limited, president, Robert W.Macaulay, has reported PROGRAM PLANNED BY FIRMS that the company has acquired a 50% interest in White Asbestos (Mining) Pty. of Australia, which holds an asbestos property 12 miles from Barraba. Merit Oil Limited owns the balance of the Australian company.

Since 1964, approximately 10,725 feet of diamond drilling has been completed in 21 holes. The asbestos content of the drill cores has been estimated visually to be of commercial value with one section of one hole tested in a mill and found to be in a commercial range. A recent engineers report states that work to date indicates a continuous zone containing asbestos fibre over a strike length of 5,000 feet with an average width of 400 feet. Diamond drilling to date was concentrated on a 2,500 foot southern portion of the property and outlined a main asbestos zone with an average width of 200 feet. Assuming continuity over these dimensions and to the depth tested by drilling, the zone is estimated to contain 11 to 15 million tons of asbestos bearing rock. The potential tonnage of the complete fibre zone is estimated at five to ten times that indicated by drilling to date.

A joint exploration program in the amount of \$330,000, for further drilling, is proposed by Castle Tin and Merit Oil. The program is subject to shareholders approval at a meeting to be called and is subject to satisfactory results from the mill testing of the cores from the property. The cores from the previous drilling program are being tested in Quebec under the direction of Watts, Griffis & McQuat Ltd. who will prepare a preliminary feasibility report based on the results of the current tests.

FOR THE RECORD

B.X.Mining Company Limited has issued a March 31,1967, balance sheet which shows current assets \$228, current liabilities \$340, other liabilities of \$1327 owed to Trojan Consolidated Mines Ltd. Of the 5,000,000 shares authorized, 1,060,005 shares are issued with nearly all of the issued shares held by Trojan Consolidated Mines.

The company holds a block of claims on Gnawed Mountain, in the Highland Valley, just east of the Highmont Mining property where it is considering additional work on its own behalf or dealing the ground off to one of the major companies which has expressed an interest. The company's other asset is 480,000 escrow shares of Valley Copper Mines Ltd. Cominco Ltd., the major shareholder of Valley Copper Mines, is continuing to supply funds for a limited exploration program on some of the many claims blocks held by Valley Copper.

Allison Pass Mining Ltd. has issued financial statements for the period July 7,1965, the date of incorporation to April 30,1967, a total of 22 months.

The statements show exploration and development expenditures of \$116,973, including \$37,219 on drilling and \$16,673 on consulting and engineering fees. Administrative expenses were \$27,226 of which \$8,000 was for promotion and advertising and \$3,400 was management salaries. The April 30,1967, balance sheet shows current assets \$1,949, current liabilities \$7,748 of which \$5,000 is a loan payment owing on the purchase of the assets and undertakings of Hope Silver Mines Ltd.

Of the 5,000,000 shares authorized, 1,454,439 shares were issued at April 30,1967.

Under the terms of the agreement to purchase the Hope Silver Mines, the company acquired an option to purchase six mineral claims for \$20,000 of which \$13,500 has been paid to April 30,1967. The balance is payable in equal instalments of \$2,500 every six months starting June 15,1967.

BURDOS MINES LTD.

**MINIMUM FOUR HOLE PROGRAM UNDERWAY** - Peter J. Burjoski, president of Burdos Mines Ltd., has reported that a minimum of four diamond drill holes, each to 400 feet, will be drilled to test the company's 56 claim W-P Group, located to the northwest of the Cariboo-Bell Copper property in the Likely, B.C., area. At last report, the No.1 hole was underway.

To date, the claims have been partially prospected which work resulted in the location of an area of interesting copper mineralization. About twenty of the claims were covered by a magnetometer survey followed by electromagnetic and induced polarization surveys. The engineers have, from these surveys, determined that there is a major fault, about 2,000 feet wide, on the claims and that this fault is cut or intersected by a line of syenite-andesite contact. The present anomalous target being drilled is close to the point of intersection of the fault and the contact.

There is a second anomalous target to be drilled which was located by the induced polarization survey.

Burdos Mines Ltd. has offices at 515-602 West Hastings St., Vancouver, and is selling shares at 25¢ as its first public offering. The next phase of financing is also under negotiation.

KLEANZA MINES LTD.

**OFFERING PRICE FOR SHARES REDUCED TO CONFORM WITH TREND IN SPECULATIVE ISSUES** - Richard H. Bates, president, has advised shareholders of Kleanza Mines Ltd. that the sale price of the company's first public offering has been amended by supplementary prospectus dated June 15, 1967, to provide for the sale of 600,000 shares at 35¢ per share, allowing a 5¢ p/s commission. Previously, the company's first public offering of treasury shares was set at 300,000 shares at 60¢ per share allowing a maximum 10¢ commission per share.

Mr. Bates states that directors, after careful consideration, reduced the sales price of the shares for the sole purpose of bringing it in line with the general market trend in speculative mining issues. He adds that directors and the engineering staff of the company firmly believe that the company's properties possess substantial potential for development of mineable ore bodies. Directors believe that the price reduction of the shares will facilitate an early completion of the sale of shares to allow a full scale program to be carried out on all the company's properties.

The letter points out that the company's engineer recently completed the mapping of geological and geochemical information on the Kleanza Mountain property and that the mapping established definite trends of mineralization.

Shareholders who purchased shares at the higher price will be allotted additional shares equated to the new offering price. (For review of properties and program, see GCNL No. 99 (Page 3)).

**CORRECTION** - Vanmetals Exploration Ltd. last sentence in Letter No. 132(1967) story, repeated and corrected:

West Coast Securities has underwritten 200,000 shares at 15¢ per share with options on two additional blocks of 200,000 shares each, priced, respectively at 20¢ per share and 25¢ per share, Sept. 5, 1967, and Dec. 4, 1967.

FOR THE RECORD

Allison Pass Mining Ltd. reports that a diamond drill crew is on the way to the 152-claim property of the company, 17 miles southeast of Hope. Drilling will begin this week 200 feet west of Hole 2-V along the strike of a mineralized zone revealed last fall by an induced polarization survey and which was followed up by diamond drilling. This previous drilling produced one particularly significant eight-foot core section that assayed 1.20 ounces silver, 2.90% lead, 8.9% zinc, 0.2% copper, and 0.03% nickel per ton. The immediate program calls for diamond drilling two holes in depth to prove up tonnages and grade within this mineralized zone.

The company has also recently acquired a large copper property north of Kamloops. An engineer will prepare a report for consideration by the company's directors. An underwriting for 200,000 shares at 18½¢ per share has been completed with Westland Investments Ltd.

Jersey Consolidated Mines Ltd. will have 80% and Mineral Mountain Mines Ltd. 20% in an option arranged by the former on the NAL 4-claims and CBS.542, group of 40 claims adjoining, located 21 miles southeast of the Scurry Rainbow nickel-copper property in NE Saskatchewan. Mineral Mountain in addition has first right of refusal on any further financing. Optioned from Maurice Murtaek, Chilliwack, B.C., the agreement called for a deposit of \$1,000 which has been paid; \$11,000 by July 24, 1967, on receipt of transfers; 50,000 free shs of Jersey or \$12,500, 60 days from July 24; \$20,000 by May 15, 1968; \$30,000 by July 1, 1969; and in event of a production decision by July 1, 1972, 20% of the auth. cap. of any new company formed to acquire and develop production; or \$500,000 cash; or \$1,000,000 from 10% of net smelter returns whichever Jersey may elect. The option will expire on failure to make any of the initial payments of \$62,000 or delivery of the 50,000 shares. A.C.A. Howe, consulting geologist, is preparing an engineering report to contain exploration recommendations, with anticipated date of receipt of such report July 20, 1967.