

# Newmont mining profits hit peak

File

Annual report of Newmont Mining Corp. of New York, which holds a half interest in Granduc Mines Ltd., through Granduc Operating Co., shows a net income of \$48,216,000 last year, compared with \$31,364,000 in 1965. Net current assets during the year more than doubled, from \$16,097,000 to \$33,576,000.

Earnings were the highest since the company was founded 45 years ago. The present annual dividend rate is \$2.20 per share of common stock. There was a 10 per cent stock dividend last November.

Net earnings were equal to \$5.15 per common share compared with \$3.42 in 1965. Newmont's equity in undisturbed earnings of companies 80 per cent or more owned rose to \$1.42 per share from \$1.26.

The principal effort at the Granduc project, near Stewart, was directed toward the driving of the connecting mine access and drainage tunnels, the former being 11.6 miles, the report reveals.

The mine access tunnel from Tide Lake, 31 miles by road

from Stewart, was advanced to a point nearly 18,000 feet from its portal.

The drainage tunnel from the opposite side at Leduc glacier was driven to 6,800 feet from its portal. Progress in the Tide Lake access tunnel was slowed at the year end by the need to take special measures to support and stabilize about 150 feet of heavy ground through which the tunnel was being driven.

The Granduc property is leased from Granduc Mines Ltd. by Granduc Operating Co. and American Smelting and Refining Co. in equal shares, with Granduc Operating Co. being the operator and manager of the project.

By the lease, Granduc Operating and American Smelting are committed, subject to certain conditions, to develop and equip the property for production at their expense. It is presently estimated that the amount of funds yet to be supplied by Granduc Operating Co. is about \$30 million, and that the property will be in production in 1970.

## Forestry lecture today

The H.R. MacMillan lecture in forestry will be given at UBC today by Dr. Stig O.A. Hagner, chief forester for a Swedish company which last year carried out the most extensive program of fertilization by airplane.

He is scheduled for 12:30 p.m. in Room 106, Buchanan Bldg.

As forester for the Swedish Cellulose Co., Dr. Hagner supervised fertilization of 150,000 acres in 1966.

The company, holding five million acres, is the largest non-state forest owner in Europe. Production is about 100 million cubic feet of timber a year.

## Mack spurns White offer

NEW YORK (AP) — Directors of Mack Trucks Inc. said they had found no basis for considering a merger with White Consolidated Industries, Inc., to be in the best interests of Mack shareholders.

The announcement was Mack's first response to a formal offer made early in March by White Consolidated to negotiate a merger between the two companies.

One thing Lyndon and Bobby agree on . . .

## Bowater goes along with rise in newsprint

NEW YORK (CP) — The Bowater Paper Co. Inc. will raise the price of newsprint \$3 a ton, effective July 1. The price delivered in New York then will be \$142 a ton.

Bowater Paper Co. markets the output of newsprint mills in Corner Brook, Nfld., Liverpool, N.S., and Calhoun, Tenn. Earlier this year both Canadian International Paper Co. and Consolidated Paper Corp. announced similar \$3-a-ton price increases.

Gordon quot the trade mi 1046  
cribed North trade as "a bit too exclusive for our taste" and "second best" to freer trade on a trans-Atlantic and trans-Pacific basis. Said Gordon:

"I agree with the views stated by Mr. Sharp and the the prime minister who has expressed himself in similar terms."

Sitting near Gordon at the luncheon was B.C. Liberal Leader Perrault, who spoke in favor of Canada-U.S. free trade at last October's national Liberal conference. Also in the audience were B.C. Liberal Association President Lawrence Jolivet and B.C. Liberal campaign chairman George van Roggen, both of whom helped win approval for a Canada-U.S.

liberal rally and again he freer trade a multi-national than on the basis of trade in the North American Free Trade Agreement proposed by Gordon said achievements "ing than some have believed recently as last come from the K of tariff negotiat supporters of Ca trade in the believe the Kenne fail and therefore should make st arrangements wit On another is arousing controver

(Continued N (See GOR

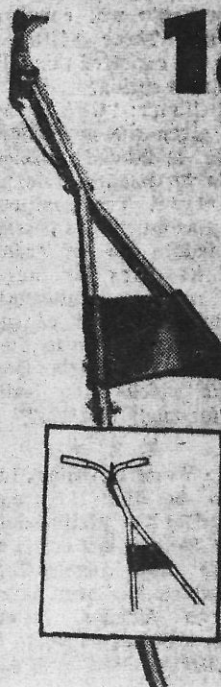
# UNIROYA CENTRES

The New Name of Dominion Tire Store

### BUDGET PRICED!

# 18" ROTAR MOWER

You'll get years and years of excellent from this dependable machine. Trouble-free 2 3/4-h.p. Power Products two-cycle engine, shatterproof steel housing, with slant charge chute, 6" metal wheel, diamond-tread tires . . . four position cutting height adjustment from 3/4" to 3". No. 1010-516 — Special



# \$44.95

NEWMONT MINING CORPORATION OF CANADA LTD.

THE GRANBY MINING COMPANY LTD.

**PRINCETON B.C. COPPER MOUNTAIN MINE PURCHASED** - P.Malozemoff, president of Newmont Mining Corporation, has announced that Newmont has agreed to purchase the Copper Mountain property near Princeton, B.C., from Granby Mining Company Limited. The purchase price was stated to be 40,000 shares of Newmont common stock and \$8,000,000 cash. The Copper Mountain property lies adjacent to Newmont's Ingerbelle property where Mr.Malozemoff recently reported over 40,000,000 tons of ore containing nearly 0.7% copper have been found. He said that the Copper Mountain lies in the extension of the same geological zone as Ingerbelle and that comparable tonnages of copper ore to those at Ingerbelle have been indicated by work already done by Granby. Newmont is presently carrying out a detailed diamond drilling and underground development campaign at Ingerbelle, costing some \$1,800,000. Further work is planned on the Copper Mountain property.

L.T.Postle, president of Granby Mining Company Limited, stated that the Granby operations at Phoenix, Jedway and Granisle are not affected by this transaction. On October 26, 1967, Mr.Postle stated that the drilling at Copper Mountain is continuing and presently three diamond drills and a percussion drill were being used to determine the size and copper content of a potential orebody. Results to that date were encouraging and the ore being outlined may be sufficient to justify putting this property into production. Expenditures on the property to the end of the first nine months, September 30, 1967, were \$201,000.

CANADIAN EXPORT GAS & OIL LTD.

<u>SIX MONTHS TO OCTOBER 31:</u>	<u>1967</u>	<u>1966</u>
Gross Income	\$1,124,000	\$1,054,900
Prod. admin. expenses	364,600	338,400
Net operating profit	759,400	716,500
Rentals, int. & misc. net	195,100	210,900
Cash Flow	564,300	505,600
Dry holes & abandoned prop.	32,500	144,200
Depletion & depreciation	301,800	299,400
NET EARNINGS before *	\$230,000	\$ 62,000
Non-recurring loss **	----	269,600
NET EARNINGS (LOSS)	\$230,000	(\$207,600)

President A.F. Beck, in the report for the six months ended Oct. 31, 1967, states that Canadian Export Gas and Oil Ltd. gross income increased 7% over the comparable period last year. Cash flow increased 13% with net earnings increasing due essentially to lower dry hole and abandonment charges. Oil production increased by 6% on 220,994 barrels compared with 208,011, while gas production remained constant at 3,159 Mscf over the corresponding period in 1966 of 3,183.

The eleventh well drilled in the Swan Hills field has been successfully completed and is now on production. Joint plans are proceeding to process necessary background data for secondary pressure maintenance installation. The company hopes to start water injections early spring of 1968.

Further exploration will take place on the 73,600 acre block which was farmed out to Ashland et al., on which one dry hole has been drilled. A third party will pay for a minimum of 60 miles of seismic exploration, which will give them an option to earn a 50% interest in this block by drilling a well to the basement. If this option is exercised, CEGO will retain a 12 1/2% interest in the reservation in northern Alberta.

The new land purchased by the company is in the North Zama area in which several oil pools have been discovered. CEGO shared the cost of two 320 acre parcels. The total cost of one was \$4,000 per acre and CEGO's interest is 37 1/2%. Drilling has been started on this acreage. The total cost of the other was \$700 per acre with CEGO taking a 22 1/2% interest.

In the Peace River area, Alberta, a seismic program and drilling of an exploratory well has been negotiated for CEGO land at Peace River. The company has pooled nearly 12,000 100% owned reservation acres with an equal amount from an adjoining land owner. The entire 23,000 acre block has been farmed out. The farmee will earn 25% interest and a further option by conducting 30 miles of seismic surveys and drilling a well to the basement. The further option to drill another well will earn the farmee an additional 25% interest. Assuming exercise of the option, CEGO will retain a 25% interest.

(Continued from Page 1)

B.C. SUGAR REFINERY, LIMITED

has been made on a similar service in Manitoba.

Modern bulk storage centres have been erected in both areas and facilities made available to the customers for "on the farm" bulk storage. In Manitoba, the company has also introduced facilities for the supply of fertilizer in liquid form to the customers.

The notes to the balance sheet point out that as there was no material difference between the income for the year on a taxation basis and that shown by the accounts, the amount provided for income taxes for the year was normal for the profits shown in the accts.

Operating expenses for 1967 include remuneration of \$357,541 received by directors in their capacity as directors and executive officers of the company. The corresponding amount was \$311,617 in 1966. As in the preceding year, provision has been made for depreciation in an amount approximately equal to the maximum allowance at normal rates under the Income Tax Act. The presentation on the balance sheet of accumulated depreciation has been changed by deducting it from the costs of fixed assets. In prior years, depreciation was shown as a separate item on the other side of the balance sheet. Cane sugar on hand has been valued at replacement which was below cost on a last-in, first-out basis. Other sugar and supplies are valued at the lower of current cost or replacement.

RECEIVED  
NOV 29/67  
RECEIVED

## George Cross News Letter

"Reliable Reporting"

NO. 228(1967)  
NOVEMBER 24, 1967

COPYRIGHT  
ALL REPRODUCTION  
RIGHT RESERVED  
PUBLISHED DAILY  
SUBSCRIPTION RATE  
\$140.00 PER YEAR  
NO. 228(1967)  
NOVEMBER 24, 1967

### WESTERN CANADIAN INVESTMENTS GENCONA MINES LIMITED

#### + Annual Report Details Interest in Dunlop Mining and Merritt Copper Co. Ltd.

Jules Baert, president of Gencona Mines Limited, states in the recently issued annual report for the year ended May 31, 1967, that Gencona Mines Limited owns 200,000 shares of Dunlop Mining Company Limited. Dunlop Mining Company has 950,000 shares issued.

Dunlop Mining has arranged for Merritt Copper Co. to undertake a drilling program on its semi-proven property at Lac LaRonge, Saskatchewan. To date, proven reserves total 1,250,000 tons of copper-nickel ore. A report has been prepared by consultants recommending a 500 ton a day mill.

(In June 1967, Merritt Copper Co. Ltd. reported that detail testing was underway in a nickel-copper property near Nemeiben Lake, four miles west of Anglo Rouyn Mines Ltd., northern Saskatchewan. Merritt Copper can earn a 49% interest in the property by spending \$150,000 with \$50,000 to be spent by May 31, 1968, and a further \$100,000 by May 31, 1969. Beyond the \$150,000, the companies are each to advance their percentage of the exploration funds in relation to their interest in the property.)

The other main interest of Gencona Mines Limited is a 10% interest in Pacific Rim Syndicate No. 1 which was formed to carry out 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 Oil 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.

The Gencona claims at Bernic Lake are surrounded by the holdings of Chemalloy Minerals and Goldfields Corp. which are spending some \$3,000,000 on plant and facilities.

The Soab Lake property is being maintained in good standing after Noranda dropped its option on the ground.

During the year to May 31, 1967, the company spent \$66,986 of which \$50,157 was on exploration with the balance on general and administration expenses. Sundry income amounted to \$8,389 for a net expenditure for the year of \$58,596. At May 31, 1967, current assets were \$25,133 and current liabilities \$13,055. Of the 5,000,000 shares of Gencona authorized, 4,302,806 shares were issued. Shares of Gencona are listed on the Vancouver Stock Exchange.

#### NEWMONT MINING CORPORATION OF CANADA LTD.

ORE RESERVES GIVEN - P. Malozemoff, chairman of Newmont Mining Corporation, in a talk to the New York Security analysts stated that the property at Princeton, B.C., has preliminary reserves of 40,000,000 tons of 0.70% copper. The present exploration and development program on the property is estimated to cost some \$1,800,000.

(See GCNL No. 171, page two Sept. 1, 1967, for the details of the current program)

#### DIVIDEND

Trans-Prairie Pipelines Ltd. will pay a regular quarterly dividend of 10¢ on Dec. 15, record November 30, 1967.

#### WELDWOOD OF CANADA LIMITED

QUESNEL EXPANSION ANNOUNCED - A \$1,400,000 expansion and improvement programme is now under way at Weldwood of Canada's Quesnel plywood plant and sawmill.

The multi-phase project is expected to be completed in May, 1968, and provide employment for an additional 25 to 30 men at the plywood plant.

The Cariboo division presently employs about 650 people and the annual payroll exceeds \$4,000,000.

The project includes a 15,000 square-foot extension to the plywood plant, the installation of a third veneer lathe and a new high-speed ring-barker and chipper in the sawmill.

At the same time, a second railway spur will be added and the existing one extended to handle increased pulp chip and veneer production.

Weldwood's Cariboo division logs more than 130 million board feet a year in a 12,500 square mile area.

Established in 1951, the plywood plant was greatly enlarged and its operations increased in a 2-year long, \$2.5 million programme completed early last year.

Mr. Sterling, Cariboo division manager, said the project now under way will substantially increase the plant's veneer production capacity, currently at an annual rate of 140-million square feet, 3/8" basis.

NO. 228 (NOVEMBER 24, 1967) This NEWS LETTER owned published and copyrighted by GEORGE CROSS.

NEWMONT MINING CORPORATION OF CANADA LTD.

**CONTRACTS LET ON MAJOR PRINCETON EXPLORATION** - Newmont Mining Corporation of Canada Ltd. has let a series of contracts covering a major exploration and development program on the Ingerbelle copper property, five miles southwest of Princeton, B.C. Cameron McMynn has contracted for 4,400 feet of drifting and diamond drill stations, plus some 800 feet of raising. In addition, there is a possible further 1,700 feet of drifting. Degg Drilling Ltd. has received a contract covering 60,000 feet of underground drilling and Connors Drilling has contracted for 42,500 feet of surface diamond drilling and some 10,000 feet of percussion drilling.

It is expected that the full program will take about one year to complete and will cost over \$1,000,000.

In addition to providing the material for sampling and grade determination, the workings will provide samples for metallurgical studies.

Newmont Mining Corporation has been working on the property for almost two years since Dr. R.H. Seraphim brought the property to the company's attention.

CONTINENTAL MCKINNEY MINES LIMITED

**NEW PROPERTY ACQUIRED-FINANCING COMPLETED** - Continental McKinney Mines Limited has acquired **ROSSLAND PROPERTY AWAITS FEASIBILITY STUDY** a purchase option covering C.B.S.1287, about 1,300 acres, located four miles from the Scurry-Rainbow nickel-copper property at Otter Lake, northern Saskatchewan. The vendor Leonard Lusk is to be paid \$14,000, of which \$6,500 was paid August 28, 1967, and the balance of \$7,500 within 30 days. Within two years, Continental McKinney is to form a new company to hold the ground and issue 200,000 shares of the new company to Leonard Lusk.

Since Scurry Rainbow entered the December 9, 1966, agreement covering the McKinney claims in the Rossland, B.C. area on a 70-30 basis, Scurry has spent \$97,084 on exploratory diamond drilling. These claims adjoin the ground held by Cascade Molybdenum and are along the east side of the Red Mountain Mines-Torwest property.

The detail results of this diamond drilling have not been reported to McKinney but it is known that the work has tested a zone of molybdenum mineralization at a number of closely spaced points on the three key claims of McKinney, these are: Novelty, Golden Queen and St. Elmo, and on into the Giant claim of Cascade Molybdenum. A feasibility study from Stern and Rodger Canada Ltd. on a 1,000 ton per day concentrator is expected in about 60 days and it is expected that a decision to proceed to production on the basis of the reserves on the McKinney and Cascade properties will follow this report.

Scurry-Rainbow has also provided a total of \$74,500 to cover payments due on the present purchase agreements including the purchase of the outstanding 30% interest in the Novelty mineral claim.

Financing for Continental McKinney Mines Limited has taken the form of an underwriting as follows: H.H. Hemsworth & Co. Ltd. as to 40%, Northwood as to 20%, Davidson & Co. Ltd. as to 20% and Royden Morris & Co. Ltd. as to 20% have underwritten 200,000 shares at 20¢ and have received options on 200,000 shares at 25¢ due November 12, and 200,000 shares at 30¢ due February 4, 1968.

J.E.R. Wood, president of McKinney has reported that work will start on the Saskatchewan property as soon as possible.

VERSATILE MANUFACTURING LTD.

**SHARE DISTRIBUTION ARRANGED FOR SEPT. 14, RECORD DATE** - Versatile Manufacturing Ltd. has reported to shareholders that September 14, 1967, has been set as the record date for the distribution of the two class A shares for each one common share then held. This is the final step in the process to re-classify and sub-divide the capital stock of the company. The new shares will be traded on the Toronto Stock Exchange probably starting on September 12, 1967. It is expected that the share certificates will be mailed on September 27, 1967.

The letter to shareholders states, "It will not be necessary for you to turn in your present shares as these will remain unchanged. Shareholders should retain their share certificates of common shares presently held by them. Do Not destroy them. Do not send them to the transfer agent."

CANADIAN TRICENTROL OILS LTD.

**SASKATCHEWAN URANIUM PROSPECT** - Canadian Tricentrol Oils Ltd. has reported that it owns a 25% working interest in some 775,354 mineral acres in the rapidly developing uranium prospect area of southwest Saskatchewan. This acreage is in the form of mineral permits and mineral claim blocks and represents approximately one third of a 2,200,000 acre uranium prospective area in the region. Field parties are presently in the area acquiring surface samples for chemical assay counts. Results to date are encouraging. Ensign Oils Limited and Scoteire Exploration Ltd., both of Calgary, hold 25% and 50% working interests respectively.