

92J  
Harrison  
Owl Creek

812643

MOUNT SICKER MINES LTD.

**FUNDS PROVIDED TO DRILL OLD PRODUCER** - The property of Mt. Sicker Mines Ltd. comprises about 3340 acres on the flanks of Mt.Sicker, Chemainus district, 14 road miles from Duncan, Vancouver Island, B.C. The holdings are 53 mineral claims (26 of which are Crown-granted) totalling some 750 acres plus an option to lease lands totalling some 2540 acres.

Corporate Structure

Inc.: B.C. 23Sept66; public 29Sept67.  
Reg. Off.: 750 Courtney St. Victoria.  
H.O.: Same address.  
Reg. & T.A.: National Trust Company, Vancouver.  
Auditors: Roberts, Deuson, Hill & Co. Victoria.  
Auth. Cap.: 3,000,000 shares of \$1.00 par value.

Shares Issued:  
For properties (750,000 escrowed) 760,000  
For services 3,000  
For \$211,627 cash 345,752  
being 2 shs. at \$1; 145,750  
shs. at 50¢; 140,000 at 75¢ less comm.;

60,000 at 56 1/4¢  
For \$90,000 cash, being sold to Donaldson Securities at 60¢ p/s for retail at 75¢ p/s under current prospectus dated 24July69. 150,000

Total incl. current offering: 1,258,752  
Financial Position: after spending from date of incorporation to 28Feb69 on expl. and devel. \$141,613 and for administration \$20,657, current assets were \$2,728 and liabilities \$17,105 leaving working capital deficiency of \$14,376.

Directors: Charles B. Field, pres. (holding 375,000 shs. escr.); John Finlayson Wood (50,000 shs. escr.); Charles Earl Hastings (25,000 shs. escr.); A. William Whittingham (25,000 shs. escr.); Harry Glen Sommers (50,000 shs. escr.); Hugh Graham Grant (50,000 shs. escr.)  
Promoter: Charles B. Field.

of funds will be used to seek suitable ore in commercial quantity by drilling at a cost of \$90,000 as recommended by Mr. Sheppard for Phase I to be followed by Phase II exploration as results warrant.

Mt. Sicker acquired its interest in the leased lands totalling some 2540 acres within the land granted the Esquimalt and Nanaimo Railroad, now CP Rail, by taking an assignment from V.H. Patriarche of a mining agreement dated 10Oct63 that he made with Canadian Pacific Oil & Gas Ltd. The company has allotted 100,000 shares to Patriarche for the assignment, has paid him \$5,000 in cash and is required to pay him \$10,000 more by 1Aug70. The lease to which Mt. Sicker will then be entitled will be for 10 years at a rental of \$10 per year per acre plus royalties (in the order of 3 to 5% of net smelter returns) that vary with the metal and grade produced but must not be less than \$2500 annually. After Mt. Sicker has recovered its capital investment and development costs, CPOG may alternatively elect to have a royalty of 10% of the annual net profit accruing from the mines and minerals sold.

The only other interest entailing further payments comprises certain claims that are the subject of an option to purchase agreement with H.G. Grant on which \$9,000 has been paid and a further \$9,000 is due by 31Oct70.

PINE LAKE MINING CO. LTD.

**STRONG UPPER SHOWING NOW BEING TESTED BY DRILLING** - Diamond drilling is now underway on the Upper Showing of the Pine Lake Mining Co. Ltd. property near Pemberton, B.C. Drilling started on 20Aug69. To give access to the upper showing, the company has constructed four miles of road on the Owl Creek property. Geological, soil sampling and induced polarization surveys have been carried out over a portion of the property. The combined results of the three surveys confirm an anomalous copper and molybdenum bearing area measuring 2,000 feet by up to 1,000 feet wide. The soil sampling readings are considered background for copper at 50 parts per million and anomalous at 100 parts per million and greater. The high readings have been in the 3,000 parts per million range. For molybdenum, background is 5 parts per million, but values on the Pine Lake property ranged up to 270 parts per million.

The induced polarization survey obtained weak chargeability and a drop in resistivity in the target area. The geology of the anomalous area is considered very favourable. The first hole is planned to be 1,200 feet long at 60 degrees to test the coincident copper-molybdenum soil sampling and weak induced polarization anomalous area.

The company currently has \$60,000 cash on hand with which to continue the exploration program. (See GCNL NO. 172 and NO. 128 and NO. 79 for earlier property information).

E.P. Sheppard, P. Eng., notes that since its discovery in 1897, important amounts of gold, silver, copper and zinc and lesser amounts of lead and cadmium have been mined there from extensive underground workings now mostly caved. High grade ore bodies located occur within a major fracture zone traced on surface for eight miles and encountered, still strongly going down, at a depth of 1250 feet near the Tyee shaft bottom. The ore deposits occur as a replacement of folded, cherty tuffs and related graphitic schists and consist mainly of barite and sulphides with small amounts of quartz and chalcopyrite. Total past production is reported as 305,787 tons of 1.6% copper, 0.13 ounces gold per ton, 4.1 ounces silver per ton, 0.65% lead and 6.6% zinc. Ore reserves in the ground are reported as 350,000 tons at those grades. The company has compiled much information from pilot plant operation of bacterial leaching started in April 1968 on 15,000 tons of material grading 0.8% copper per ton but is not yet able to confirm the profitability of this method of production. While this testing continues, the bulk

*File*

→ PINE LAKE MINING CO. LTD.

**DRILL RESULTS CONFIRM CONSULTANT IN ADVISING \$196,000 MORE WORK AT OWL CREEK** - New funds of \$100,000 on a firm basis and of a further \$250,000 if options are exercised (see GCNL No. 136) will be allocated principally to implement a further program at the company's Owl Creek or Harrison properties in the Pemberton area of B.C. In the 7 months to 31 Aug 69, the company had raised \$66,303 from sale of 221,010 shs. and had spent \$66,074. Working capital at end of the period was \$48,805.

The property consists of 84 claims and more are currently being acquired. The claims extend from near the Pemberton-D'Arcy road for 6 miles up Owl Creek valley.

In a report dated 22 Sept 69 following a visit to the property on 16 and 18 Sept., W.R. Bacon, Ph.D., P.Eng., says in summary that, in the valley of Owl Creek, the underlying diorite intrusive is exposed in 3 localities and that, in each, copper mineralization is evident. He adds that molybdenite may prove to be a credit in the upper showing. The C showing is regarded as of potential importance because the possibility of a surface operation exists. This is not the case with the A and B showings, neither of which is regarded favorably by the consultant, he states. The C showing definitely warrants further investigation by diamond drilling he adds, outlining a program he estimates at \$108,500 initially with a further \$87,500 advised to be spent should results of the first program be favorable. He suggests that 7,000 ft. of diamond drilling be done at each stage. Dr. Bacon also proposes that preliminary work, mapping and soil sampling, be done between the 3 known showings and upstream, beyond the C showing, where certain favorable geochem. indications are beginning to take form.

In a supplementary report dated 20 Oct 69, the consultant gives results given him by K.G. Sanders, P.Eng., of assay results of the first hole on C zone, as fol.; a section of 280 feet from 310 feet to 590 feet with an average grade of 0.418% copper and 0.029% molybdenite (MoS<sub>2</sub>) and a further section of 40 feet from 620 feet to 660 feet with an average grade of 0.432% copper and 0.043% molybdenite (MoS<sub>2</sub>). C-2, was put down parallel to and 200 feet on section from C-1 and intersected a total of 382 feet of mineralization as follows: from 100 to 275 feet in depth, 175 feet of 0.30% copper; from 360 to 410 feet, 50 feet of 0.34% copper and from 550 to 707 feet, 157 feet of 0.50% copper and 0.034% molybdenite. Mr. Hrkac says overburden is light, from 8 feet to 40 feet being penetrated in the first two holes.

The company says it intends to perform only \$6,200 worth of required assessment work on its Port Hardy properties during 1969. Also, it has decided not to undertake any further work on its Lake LaBerge properties, near Whitehorse, Yukon.

INTERNATIONAL MINERALS & CHEMICAL CORPORATION

**PRESIDENT SEES NO EASY CURE FOR INTOLERABLE PRICE LEVEL** - Major moves taken by IMC to cope with the problems arising from what he terms intolerable price levels for Saskatchewan potash were set out in the report of Nelson C. White, president, to the annual meeting. Copies of his statement to the meeting now in hands of shareholders as a whole show that the loss experienced in the year to 30 June 69 (as reported in GCNL No. 192) continued in the 3 months to 30 Sept 69. On net sales of \$104,356,000 vs \$114,564,000 in the like period 1968, the loss before income tax was \$4,499,000 vs \$4,466,000. Income tax provision was \$200,000 as against an income tax credit of \$450,000 in the 1968 period. This put the net loss at \$4,699,000 vs \$4,016,000 for the quarter. Shares outstanding were unchanged at 10,836,000.

The president commented briefly on the mention by the Saskatchewan premier of the possibility of the government controlling production and setting prices at what he terms a "reasonable level", but the IMC head told shareholders that until any such plan takes definite form it was unwise and perhaps useless to comment further on its possible impact.

He said IMC had no choice but to accommodate to the situation as best it could for the short run without major sacrifice of long-term aims. He cautioned that it would take a really superlative effort to break even in fiscal 1970 and that it was ironic that any such efforts could be hidden by "the looming negatives in fertilizer pricing."

IMC could not live with lower prices and lower volumes. The company had been able to register modest increases in the volume of fertilizer sold despite unrelenting pressure from new production. IMC had effected 3 major waves of personnel reduction, thereby achieving notable reductions in administrative expenses. Executive compensation in the aggregate is down some 30% from the level of 3 years ago. IMC has diversified and continues to explore diversification possibilities.

No large acquisitions are pending but several possibilities in the lower range-\$5 million or less-are in negotiation. Unprofitable operations are being closed. In fiscal 1969, IMC cut long-term debt by more than \$50 million. Dividends have been omitted in order to permit measures aimed at restoring profitability in the shortest possible time. Cost reduction moves, notably in phosphate and potash, made it possible for him to say that he knows costs are as low as-or lower than-the costs of any other producer.

FOR THE RECORD

Trans Columbia Explorations Ltd.-CORRECTION AND ADDITIONAL INFORMATION - The story in GCNL No. 242, 5 Nov 69, page one had some errors in number of claims. The company has now reported that the company acquired a total of 283 claims in five blocks in Casino Silver Mines Ltd. property area. Trans Columbia paid \$44,000 for the claims. Subsequently, Trans Columbia Explorations sold a 50% interest in four blocks totalling 185 claims for \$28,000. Trans Columbia Explorations retains a 100% interest in the fifth block of 98 claims.

CONSOLIDATED VIGOR MINES LTD.  
(Formerly Canford Explorations Limited)

*File - Pine Lake Mining*

**GOLD RECOVERY AT LIGHTNING CREEK - TO PROCEED BY HAMMER DRILL METHOD** - Consolidated Vigor Mines will be entitled to receive 50% of all gold recovered under an agreement with Camjet Placer Production Explorations Ltd. Announced by J.A. Willey, Vigor president, the planned operation will use what he calls "the revolutionary reverse recovery drill method" and will initially be centred on the lower extension of the Sanderson workings at the Lightning Creek leases of Vigor midway between Quesnel and Barkerville, B.C. Vigor, he states, is obliged to provide only existing camp facilities for use of the drilling crew at the property. Camjet will pay all production costs and W. Howard Myers, P.Eng., consulting geologist, will supervise operations.

The drill equipment includes a double wall pipe driven down under air or water pressure by a Diesel-operated pile driver. Gravel encountered is rapidly transported to surface through the inside pipe by compressed air and drilling fluid. Discharged material is then run through a sluice for recovery of gold.

In a preliminary report dated 20Aug69, Mr. Myers estimates that, on the basis of 12 holes drilled to bedrock each month, value of gold recovered could be around \$90,600 per month, of which Vigor's share would be \$45,300.

Using the Becker Hammer Drill supplied by Becker Drilling (Alberta) Ltd., a subsidiary of Union Carbide Canada Ltd., the consultant conducted a test in 1968 which showed good gold recovery was feasible from bedrock gravels as deep as 165 feet below surface. In the new program, it is initially planned to produce from an upper layer of sand around 80 feet which was shown by churn drilling to have average gold values of \$4.95 per cubic yard. Tests of bedrock gravels around 160-164 feet indicated average gold values of \$95.50 per yard.

Consolidated Vigor's leases in the Coppermine district of the Northwest Territories are being held in good standing pending anticipated developments in the area.

Vigor's Rice Lake claims in Manitoba have been secured in good standing for another two years.

Mr. Willey says that, under a rights offer made last June, \$36,750 was subscribed by the expiration date and that the offer has been extended.

The original offer covered the right to subscribe at 30¢ p/s on the basis of one share for every 7 held. This offer was open for 14 days from 26June69 after which until 25Aug69 directors were eligible to subscribe for any shares not then subscribed up to a total of 547,612 shs. The subsequent offer covered 285,000 shs. at the same price with a similar provision for directors to take up any unsubscribed balance.

PACE INDUSTRIES LIMITED

**FURTHER FOOD DISTRIBUTION - FIRM ACQUIRED IN U.S.A.** - Pace Industries Ltd. of Vancouver has purchased its third United States subsidiary, United Cascade Food Distributors Ltd. of Tacoma.

No purchase price was disclosed for acquisition of the new company which predicts annual sales of over \$4 million. The company distributes some 1200 food items to more than 800 institutional customers in Washington--restaurants, hotels, hospitals, rest homes, schools and industry.

United Cascade was formed in August after Nalley's Ltd. of Tacoma abandoned its institutional food distribution business. Two Nalley executives, Curt Shelly and Ed Peterson, kept the Nalley institutional distribution arm virtually intact and formed United Cascade with backing from Pace Industries.

Pace also owns National Oven Products Ltd. and Spudnut Industries Inc., both with head offices in Auburn, Washington. The company's Canadian subsidiaries include Oly Food Services Ltd. and West Coast Vending Ltd. of Vancouver and Calgary Vending Ltd. of Calgary.

PINE LAKE MINING CO. LTD.

**DRILL PROGRAM TO PROCEED WITH NEW FUNDS** - Pine Lake Mining Co. Ltd. president Ray Hrkac reports a second diamond drill has been sent to the Owl Creek copper-molybdenum prospect near Pemberton, B.C. and a 7-hole drill program will be started shortly to complete this Fall. GCNL 223, 8Oct69 reported results of the first hole on C-zone. The other hole drilled, C-2, was put down parallel to and 200 feet on section from C-1 and intersected a total of 382 feet of mineralization as follows: from 100 to 275 feet in depth, 175 feet of 0.30% copper; from 360 to 410 feet, 50 feet of 0.34% copper and from 550 to 707 feet, 157 feet of 0.50% copper and 0.034% molybdenite. Mr. Hrkac says overburden is light, from 8 feet to 40 feet being penetrated in the first two holes, and because there are no topographic restrictions for open pitmining on the C zone, he considers the values in the two holes are of economic grade. GCNL 235 noted Pine Lake shares are now transferred from interim to full listing on VSE and GCNL 236 noted 100,000 shares have been underwritten at \$1.00 per share with options on 100,000 at \$1.00 due 26Dec69 and on 100,000 at \$1.50 due 24Feb70.

FOR THE RECORD

Wosk's Ltd. has received B.C. Securities Act registration covering the purchase of 250,000 shares; 150,000 shares at \$7.00 and 100,000 shares at \$6.65 per share. The issue is underwritten by S.H. Lennard & Co. Ltd.

BRITISH COLUMBIA SECURITIES ACT

Alakom Mines Limited has received registration under the B.C. Securities Act covering the sale of 100,000 shares at 75¢ per share by a prospectus dated June 20, 1967.

Unrise Silver Mines Ltd. has received registration under the B.C. Securities Act covering the sale of 225,000 shares at 45¢ per share by a prospectus dated June 7, 1967.

Ellison Pass Mining Ltd. has received registration under the B.C. Securities Act covering the sale of 200,000 shares at 18½¢ per share by a prospectus dated June 14, 1967. The shares are underwritten by Westland Investments Ltd.

Kokanee Moly Mines Ltd. has received registration under the B.C. Securities Act covering the sale of 150,000 shares at 45¢ per share.

BUCHANAN MINES LTD.

ASSAYS REPORTED FROM - J. Arthur Jones, president of Buchanan Mines Ltd., has reported has ADAMS LAKE DRILLING reported that the No. 7 hole drilled on the Glen claims, near Adams Lake, 70 miles east of Kamloops, B.C., was located on strike 1,000 feet from the original surface samples taken near the lakeshore which had a value of \$10.00 per ton.

He states that the mineralization was encountered at the surface in the hole but the first 23 feet were not assayed owing to the oxidation. Assay results to date are: 25 feet to 28.6 feet 0.76% copper; 28.6 to 34 feet 0.85% copper, 38 feet to 41 feet 0.35% copper and 62 feet to 64.8 feet 1.05% copper.

Gold and silver values are also present in the core. Further sections of the No. 7 core are to be assayed. The president also states that the No. 8 hole is reported to be encouraging with assays expected.

SILBAK PREMIER MINES LIMITED

CONCENTRATE SHIPMENT - A. E. Bryant, president of Silbak Premier Mines Limited, has made MILL BREAKDOWN REPAIRED the following statement regarding the mine operation, located 20 miles north of Stewart, B.C.

"Have pleasure in announcing that the first shipment of our 1967 production of concentrates amounting to 48 tons and estimated to have a value of \$40,000, left Vancouver on June 21, for smelter treatment. Payment for the silver metal content will be based on the London market quotation average for July.

"A mechanical breakdown recently made it necessary for the mill to be closed down whilst repairs were carried out. This work has been satisfactorily completed, thereby enabling milling to be resumed on June 29. During this period, mining continued without interruption and approximately a further 2,000 tons of ore has been broken to date. It is expected that some of this material contains some high grade ore, the quantity and value of which cannot be estimated until the current phase of the mining operation and sampling work is carried out.

"A further statement will be issued when this information is available."

MAGNUM CONSOLIDATED MINING CO. LTD.

DRILLING ON TWO PROPERTIES - Magnum Consolidated Mining Co. Ltd. has reported that drilling UNDERWAY OR PLANNED equipment is on the property at Suey Bay-Quesnel Lake, Horsefly.

Drilling will test a soil sampling and E.M. anomaly when I.P. survey work has detailed the target. The first hole is to be 1,000 feet and is expected to start about July 4, 1967. There are other geophysical drill targets on the ground.

Three short drill holes for geological information have been programmed for the company's property on Boling Peak, west shore of Takla Lake, B.C. Preliminary I.P. work located anomalous areas with detail work now underway. Two further properties in the Boling Peak area have been optioned from Helicon Explorations Limited. The option runs till Jan. 5, 1968, and the purchase price is 25,000 shares of Magnum for the two claim groups.

FOR THE RECORD

Native Mines Limited has reported that H. H. Hemsworth & Co. Ltd. has failed to exercise the June 30, 1967, option covering 200,000 shares at 80¢ and the balance of the agreement is cancelled.

P.C. Explorations Ltd. has reported that Brink, Hudson & Lefever Ltd. has failed to exercise the June 30, 1967, option covering 100,000 shares at 75¢ per share and the balance of the agreement is cancelled.

Scott Paper Limited will pay a dividend of 20¢ on July 31, record July 14, 1967.

→ Pine Lake Mining Company Limited has reported satisfactory progress on the copper property on Lake LaBerge, 27 miles north of Whitehorse, Yukon.

The trenching has continued to encounter copper mineralization in a large area of alteration. A diamond drill and crew is testing the copper area with the first hole to start in a week. Testing is to continue on the large magnetic anomaly where recent drilling encountered iron.

BOND YIELD AVERAGES

EACH GROUP AND AVERAGE -At May 31,1967, the McLeod, Young, Weir 40 Bond Yield Average was AT NOV.1966 HIGH 6.75% again equalling the high point of November 30,1966. The previous month end average yield was 6.50%.

The average yields on the groups rose as follows: provincials 0.21%; municipals 0.36%; utilities 0.21% and industrials 0.22%.

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

	May 31 1966	November 30 1966	May 1 1967	May 31 1967
10 Provincials	6.10%	6.64%	6.34%	6.55%
10 Municipals	6.27	6.74	6.39	6.75
10 Public Utilities	6.21	6.73	6.57	6.78
10 Industrials	6.30	6.90	6.70	6.92
40 BOND YIELD AVERAGE	6.22	6.75	6.50	6.75
Average Maturity	15 years 7 mos.	15 years 1 month	15 years 9 months	15 years 8 months.
Govt. of Canada 4 1/4%, Sept.1/72	5.69%	6.02%	5.34%	5.77%
Govt. of Canada 4 1/2%, Sept.1/83	5.71	5.99	5.73	5.77
Govt. of Canada 5 3/4%, Sept.1,1992	-	-	5.69	5.77

GIANT MASCOT MINES LIMITED

CONCENTRATE SHIPMENT - Giant Mascot Mines Limited has reported that the 69<sup>th</sup> shipment of nickel-copper concentrates from the nickel operation near Hope,B.C., went forward May 31,1967, totalling 2,462 short wet tons, averaging 11.6% nickel and 3.9% copper. The shipment has a gross value of \$351,723, U.S.funds.

Since shipments to Japan started in May 1960, the company has shipped a total of 151,196 tons of concentrates with a gross value of \$17,905,000 U.S.Funds.

FOR THE RECORD

Pacific Great Eastern Railway Co. has reported that led by an increasing volume of lumber and pulp and paper shipments, P.G.E. carloadings in May were more than 20% above the same month last year. May carloadings were 7,213, up from 5,982 in May 1966.

Carloadings this year are running far ahead of the pace set last year. For the first five months, carloadings totalled 34,079, up sharply from 29,447 for the same period in 1966.

Coast Copper Co.Ltd. will pay a 25¢ dividend on the common shares on June 30, record June 16.

Pine Lake Mining Company Limited has reported that drilling on the 3,000 foot long magnetic anomaly at the Lac La Berge property, 27 miles north of Whitehorse, Yukon, continues with the first three holes encountering magnetite and hemitite. The No.4 hole has cut some flakes of copper mineralization.

As soon as the spring break-up permits, a D-8 bulldozer with rippers will be brought to the property to strip light overburden from the area of a copper showing, located one mile west of the present drilling, and to prepare a series of drill sites for the second stage of the program.

Northlake Mines Ltd. is offering to shareholders of record June 20,1967 the right to purchase one share at 50¢ for each 2 1/2 shares held at the record date.

Shareholders purchasing these shares will in addition have the right for each share purchased to purchase a further two shares on or before April 15,1968 at 50¢ per share, and a further two shares on or before April 15, 1969 at 75¢ per share. To receive the rights, shareholders should register at Guaranty Trust Co., 624 Howe St., Vancouver.

Closing date on the rights is July 4,1967.

Chieftain Development Co.Ltd. president, S.A.Milner, has reported that an offer to Auto-Marine Acceptance Corporation Limited was approved by the shareholders of that company and as a result Chieftain Development issued 287,204 shares in exchange for the shares of Auto-Marine. Only 245,174 shares of Chieftain Development are to be distributed now with the balance of 42,030 shares to be issued or distributed to shareholders of Auto-Marine in 18 months.

Auto-Marine will be liquidated and a new corporation, Auto-Marine Acceptance Corporation (1967) Ltd. will be formed. Chieftain will operate this new company as a wholly owned investment subsidiary and proposes to phase out certain of the present operations of Auto-Marine in order to invest in projects more in concordance with Chieftain's present development plans.

At March 31,1967, Auto Marine had total assets \$3,550,642 after \$260,290 for depreciations and doubtful accounts. Liabilities totalled \$998,900 for a net of \$2,551,742.

PINE LAKE MINING CO. LTD.

WORK STARTS ON COPPER-ZINC PROSPECT NEAR LAKE LABERGE

On recommendation of Ace R. Parker, P. Eng., of Whitehorse, Pine Lake Mining Co. Ltd. has initiated exploration of a 70-claim copper-zinc prospect, 27 air miles north of

Whitehorse, Yukon, near the eastern shore of Lake Laberge. The consultant says this property is in a promising geological area where very little scientific and systematic exploration has been performed to date.

He has advised an initial program of geologic mapping, geochemical surveys, ground geophysical surveys, and diamond drilling at an estimated cost of \$125,000.

The Whitehorse-Mayo road traverses near the western shore of Lake Laberge, 7 air miles from the property.

Mr. Parker says there is a reasonable possibility that at least one of the airborne magnetic anomalies located on the property as shown on the aeromagnetic maps issued by the Geological Survey of Canada during 1966 represent a sulfide mineral deposit of economic importance. There are exposed mineralized zones and recently discovered aeromagnetic anomalies which remain totally unexplored to date.

Pine Lake Mining Co. Ltd., 501-615 West Pender St., Vancouver, was incorporated as a public company in B.C. Dec. 16, 1965, with authorized capital of 5,000,000 shares, par \$1.00 of which 1,050,005 were issued as at April 13, 1967, the date of a public offering of 250,000 shares at 65¢ per share subject to a commission not exceeding 15¢ per share. Of the issued shares, 650,000 were allotted for assignment of an option on properties and escrowed, and 400,005 were sold to net \$100,005.

Rexony Mining Co. Ltd., received the 650,000 escrow shares and \$25,000 cash and is the promoter of Pine Lake Mining Co. Ltd. The option terms call for Rexony to assume covenants to pay \$28,555 cash over 2 years, to transfer 100,000 of the escrowed common shares to the optionor, and to spend \$20,000 on exploration over two years.

An audited statement of Pine Lake Mining Co. Ltd. dated Jan. 31, 1967, shows that from incorporation Dec. 16, 1965 to Jan. 31, 1967, \$36,308 had been spent on preliminary work, less \$1,407 interest earned, a net outlay of \$34,901. Net current assets were \$37,052, and investments \$995 (market \$1,014).

Directors are: R.A. Hrkac, geologist, Port Moody; Alfred G. Bellinger, comptroller, Canadian Stevedoring Co. Ltd., Vancouver; K.G. Sanders, consulting geologist, North Vancouver, W.D. McGuire, investment dealer, West Vancouver.

MAMIT LAKE MINING LTD.

PERCUSSION DRILL TESTS SELECTED PRIME TARGET ON COPPER-MOLY CLAIMS

Percussion drilling is in progress at the 157 claims of Mamit Lake Mining Ltd., a copper-molybdenum prospect immediately west and north of Mamit Lake, 20 miles north of Merritt, B.C.

The percussion drilling is part of a program recommended by R.G. Jury, P. Eng., involving a total of \$41,000. He suggested allocation of \$10,000 for 3,000 ft. of percussion drilling on the Quenville Zone which he said was the most prominent target, as found by previous work on the property including geophysical and geochemical surveys of a small portion of the claims by several different companies and contractors. Mr. Jury points out that while much of the area is overburden covered, chalcopyrite, molybdenite, and pyrite have been found in some outcrops and in glacial boulders.

G.J. Saarse, president of the company, says a second percussion drill will be started within the next few weeks to test 3 of the company's other I.P. anomalies.

Mamit Lake Mining Ltd., 1091 Broughton St., Vancouver, was formed as a public company pursuant to an amalgamation agreement dated Jan. 30, 1967, between Mamit Lake Mining Ltd. (N.P.L.), and Gump Creek Mining Ltd. which was confirmed by Supreme Court of B.C. Feb. 2, 1967. Authorized capital is 6,000,000 shares, 50¢ par, of which 998,702 were issued as at March 9, 1967, the date of a prospectus offering 300,000 shares at 40¢ per share, subject to a commission not to exceed 10¢ per share. Of the issued shares, 750,000 were for properties and are held in escrow. No shares were sold for cash prior to the public offering. However, by the amalgamation agreement, one share of the company was issued for each issued share of Mamit Lake Mining Ltd. and of Gump Creek Mining Ltd. Prior to the amalgamation, the initial Mamit Lake company had sold 58,192 shares to net \$13,362 and Gump Creek had sold 181,600 shares to net \$32,129.

A financial statement as at Jan. 31, 1967, reflecting the combined positions, showed that \$43,810 had been spent on exploration, and \$6,325 on administration. Current assets were \$1,665, fixed assets \$7,918, incorporation costs \$2,611; current liabilities \$4,541, and \$12,306 was owed to shareholders.

G.J. Saarse is the promoter of the company and a director. Other directors are S.W. Wright, mining engineer; A.R. Mumford, businessman, and Louis Atkinson, security salesman, all resident in the Vancouver area.

FOR THE RECORD

ZINC-American Zinc Institute, Inc. has reported U.S. stocks of zinc, including all primary and secondary zinc of standard grades, in short tons as follows: at smelter April 30, 1967: 103,732; at March 31, 1967: 87,909; and stock elsewhere at 21,525 tons vs 20,250 tons.

Flagstone also purchased a 40 per cent interest in a quarter section 2 1/2 miles from the Rainbow field. It sold 7 per cent to Arlington Silver and 8 per cent to Mobil, retaining 25 per cent at a cost of \$73,000. A well is being drilled which may reach gas formation Friday or Saturday and the Keg River formation 10 days later.

Directors were re-elected.

sent a major part of Pato's income. The Columbian mine in Brazil in which Pato owns a one-sixth interest is producing at the rate of seven million pounds of columbian oxide a year, and by next year should have a production of nine to 10 million pounds. Directors of Pato declared a 10-cent dividend payable May 19.

**Earnings**  
 Kilmibe Copper Co. Ltd., year ended Dec. 31: 1965, 3,435,000; 89 cents a share; 1965, \$7,251,000, \$1.87.  
 Pato Consolidated Gold Dredging Ltd., year ended Dec. 31: 1965, \$486,000; 1965, \$939,402.  
 Trans-Prairie Pipelines Ltd., year ended Dec. 31: 1966, \$917,855; 1965, \$990,318.  
 Canadian Breweries Ltd., nine months ended Jan. 31: 1967, \$8,754,794; 32.03 cents a share; 1966, \$9,191,820, 33.88 cents.  
 Canadian Petrofina Ltd., year ended Dec. 31: 1965, \$9,292,241; 1965, \$8,549,464.

is actually exercised. Sweet then explained the Carter theory on gifts and inheritances are predicated on adoption of the family unit concept. According to a (U.S.) study more than half of all transfers (gifts and inheritances) are among people who fall within the (Carter) report's concept of the family unit.

"(It) considers that once children have attained their majority, or have left the family home, they have immediately acquired an ability to pay taxes. Therefore they should be taxed on what they take from the family unit."

Sweet said there would be two major effects of the Carter approach to gifts and bequests.

"Firstly, it would remove completely the tax burden from gifts and bequests flowing from

gifts totaling (were taxable) while (inheritances) were not taxable. take into account under \$4,000 for which no return is required. "In the equitable area, the item can be abolished taxes and the income of the family. "One advanced for taxes in the revenue," S "In 1964, \$150 million credits" and their net result may be on that figure.

# ★ MINING NEWS

## New Imperial

The latest drill hole at New Imperial Mine's copper property near Whitehorse, No. 90 has penetrated what appears to be 200 feet of main intersection and is still drilling in mineralization, the company reports.

All 200 feet of core is being sent for assay.

Hole No. 89 is in ore from 514 feet and is last reported at 537 feet, still in favorable grade and evidently in the main vein.

Hole No. 88 is in ore from 70 feet, apparently favorable grade, and was last reported at 743 feet and still in ore. This too is considered in the main vein, the company said.

## Pine Lake

Pine Lake Mining Co. Ltd. expects to start the first diamond drill hole about the end of April on its 72-claim copper showing 25 miles from Whitehorse, Y.T., shareholders were told at the annual meeting.

R. A. Hrkac, president of Pine Lake, said arrangements have been made to fly a magnetometer survey at a height of 200 feet and intervals of 600 feet to delineate all possible anomalies. This work, amounting to 300 line miles, will be flown in a single day.

The centre of exploration work to date has been two indicated anomalies. Present showings measuring 3,500 feet by 400 feet are near Lake Leberge in the so-called Whitehorse Copper Belt.

A bulldozer now on the property is cutting eight miles of road and will haul in a camp and supplies.

## Cons. Skeena

Consolidated Skeena Mines Ltd. will retain its 75,000 shares of Lornex Mining Corp. Ltd. as an investment and will seek to raise exploration funds through underwritings instead, shareholders were told at the annual meeting.

President F. A. McGonigle said, in answer to a query: "We regard the shares as an excellent investment and just too good to sell."

Consolidated Skeena got the shares for four Highland Valley claims it sold to Lornex. Under the agreement, should Lornex place the claims into production, Skeena would get 5 per cent of the net smelter returns until \$500,000 was paid.

It was learned that Lornex had spent \$28,828 on the claims in exploration that included an IP survey and a 900-foot diamond drill hole and found no significant mineralization.

Elected directors were McGonigle, Harvey A. McDiarmid, Dante Pagliaro, M. G. Kemp, Murray Pezim, Allen Ainsworth and Richard Lenny. K. B. Johnson, Percy J. Harvey and Earl Glick did not stand for re-election.

## Silver Arrow

Silver Arrow Explorations Ltd. will diversify its natural resource development programs, new company president Murray Pezim said.

Pezim was elected president of Silver Arrow at the company's recent annual meeting. Richard S. Lennie of Vancouver was elected vice president. Other directors are F. S. Hofman, Ardin Sovdi, Jack Howard and G. E. Scott, all of Vancouver.

The meeting was told, meanwhile, that drilling is continuing on the company's copper property some 10 miles east of Princeton. Hole 3 has been completed. Dr. A. C. Skeri is analyzing drilling results and is outlining the next phase.

## Venus

Summary of the exploration work at Venus Mines Ltd. gold-silver-lead property in the 1966 field season has recently been completed by the consultants. It showed that the expenditures at \$214,000 were used to build a road 13 miles to the portal site and to drive 1,514 feet of new underground workings plus about 600 feet of diamond drilling.

This work established two good grade and narrow veins and indicated a potentially important vein with good width and values across a major fault, the company says. The 1967 program will be concentrated on the new vein with good width.

The underground work included 370 feet of crosscut from the portal. This was driven to give access to the downward projection of the Venus vein. This vein was drifted on for 370 feet and was found to grade as high as 0.10 oz. gold, 163 oz. silver and 63 per cent lead & over narrow widths which made the material non-commercial.

The second vein was intersected 320 feet from the portal and was drifted on for 480 feet in much the same material.

## Merritt Copper

Jarl Whist, president of Merritt Copper Co. Ltd., has reported that a second property has been acquired in the area of Thompson, Man.; that results of drilling are being evaluated on the first Manitoba property; and that further information is ex-

pected shortly on its Merritt claims.

Merritt can earn a 50 per cent interest in 91 claims, located 20 miles south of Thompson and 12 miles southeast of Sipiwek, Man., by drilling 5,000 feet of hole as a follow-up program on eight pack-sack holes which obtained good results. The agreement was made with Dunlop Mines, property owners.

A contract has been let for 5,000 feet of diamond drilling. The initial plan is for 10 holes of 150 feet each followed by two holes of 600 feet each.

## Gibraltar

Two diamond drilling machines are exploring the extensions of the copper-molybdenum mineralized zones on the McLeese Lake property of Gibraltar Mines Ltd., north of Williams Lake, the company reports.

Cominco Ltd. has also resumed drilling on the original property in an effort to extend the zone drilled last season by Gibraltar and Cominco. The agreement with Cominco calls for a firm commitment to spend \$95,000 on exploration during the current phase.

The diamond drilling by Gibraltar is being done on the Jan and Summit claims of Coast Silver Mines Ltd. Gibraltar can earn a 50 per cent interest in the claims by spending \$175,000 on exploration over the next three years.

The first hole in the current series cut some patches of mineralization with a good section near the bottom of the hole. These sections are to be submitted for assay. The second and third holes were drilled 1,000 feet to the west and cut no mineralization of significance.

Holes No. 4 and 5 were drilled close to the boundary and both cut several sections of good mineralization which are to be submitted for assaying. Drilling on both properties is continuing.

## Mega

Trenching and geophysical studies, to be followed by a 36-hole drill program, are planned by Mega Minerals Ltd. for their fluorspar prospect in Nye County, Nevada, states Harry Yen, president. The program will cost \$53,000.

Grab sample assays have shown grades of up to 49.59 per cent calcium fluoride.

Consulting geologist H.A. Quinn reported that some of the bodies of rock have sufficient fluorspar content to permit them being mined by large scale open-pit methods. Fluorspar's main use is as a flux in manufacture of steel.

# U.S. official opposes lead-zinc curb

Canadian Press

WASHINGTON — Renewing import restrictions on lead and zinc would "represent a serious departure from trade policy and would damage foreign relations "with Canada, Mexico, Australia and other nations," a U.S. government spokesman said.

But he warned of a potential for serious oversupply, both internationally and in the U.S.

Cordell Moore, assistant secretary of the interior department, was testifying before a Senate subcommittee on a bill sponsored by 27 senators to reimpose lead and zinc import quotas when American production reaches levels in excess of normal smelter operations.

They would "hurt our relations with important friendly countries and adversely affect U.S. exports as a result of retaliation," Moore warned.

"Canada and Mexico are important suppliers of lead and zinc, both as ores and metal. They are good neighbors and good customers."

"Australia would be another country that would feel the impact of the measure."

"They would all resent this form of trade restrictions exercised unilaterally and without reference to the procedures for determination of injury provided by the Congress."

Import quotas in 1957 when supply was depressed were lifted in 1961 to stimulate demand for a demand dominated market.

Last year's record amount of production elsewhere.

Moore noted an increase in production in Canada is expected to be a main product of zinc.

## Winnipeg

WINNIPEG (basis Lakehead)	
Flax—	11
May	31
July	34
October	37
December	38
Rapeseed—	
May	24
July	25
November	26
Oats—	
May	11
July	12
October	13
December	14
Barley—	
May	11
July	12
October	13
December	14
May	11
July	12
October	13
December	14
Rye—	

# ROADMASTER

The largest privately owned logging rally has an opening for a qualified Roadmaster will be commensurate with ability and experience.

The position carries the responsibility of four section crews and 63 miles of main line. The successful applicant will be required to inspect 4 to 5 miles of track per week and be responsible for track maintenance, installing switches, lining curves, and other matters. He must be able to budget for costs and maintain records of ties, steel materials used.

Applications should be forwarded to:



Personnel Manager, Englewood Logging Division, CANADIAN FOREST PRODUCTS, Beaver Cove, B.C.

types of molybdenum and tungsten deposits have been recognized and these zones were the prime targets for the 1970 drilling which failed to encounter any economic grades in 2 of the areas but sufficient work has been done to evaluate the molybdenum-scheelite mineralized skarns in anomaly 3. Anomaly 3, described as a tungsten-moly skarn zone contains molybdenum, scheelite and sphalerite mineralized skarns over a northwest strike length of 1,400 feet along the north side of porphyritic intrusive. The east section is a massive skarn containing disseminated molybdenum and very fine scheelite and local magnetite. It has been tested by core drilling that assays 0.039 MoS<sub>2</sub> and 0.16 WO<sub>3</sub> over a slope length of 246 feet. The north side skarn may have a tonnage potential of about 6,500 tons per vertical foot. Surface sampling of this moly tungsten zone indicates potential grades in the order of 0.2 MoS<sub>2</sub> and 0.16 WO<sub>3</sub>. Hole 70-13 was drilled in an attempt to evaluate this moly tungsten zone but had to be abandoned at 67 feet. This hole (70-13) was not completed due to caving problems but averaged 0.17 MoS<sub>2</sub> and 0.17 WO<sub>3</sub> for 45 feet when it was abandoned prior to entering the main skarn. Furtherwork is recommended to evaluate a possible small open pit potential of combined moly-tungsten mineralization in anomaly 3, and a deep drill test is recommended to test for an increase in molybdenum grade in anomaly 1. A drill test is also recommended for a magnetic anomaly (No.6).

For exploration of the coal licences Glen made an agt. with Kaiser Resources Ltd. and Western Coal & Coke Ltd. Kaiser agreed to spend \$60,000 prior to 1Apr71, with the option to provide a further \$125,000 by April 1972. Subsequently, Kaiser advised discontinuance of their option and a settlement of the balance of the Kaiser commitment is being negotiated. Mr. Brett says W. Thompson, geologist for Glen, is still of the opinion a small coal mining operation could succeed. The leases are in good standing and will be retained.

Certain claims in the company's Treasure Mountain property, Terrace area, have been contested and the Minister has ruled against Glen. Directors intend to appeal. Glen started the fiscal year with work. cap. of \$64,186. Received in the year was \$25,000 from Pacific. Expended was \$90,257 resulting in work. cap. deficiency of \$1,071 at 31May70. Of 3,000,000 shs. auth., 1,800,000 are issued.

#### FOR THE RECORD

Consolidated Skeena Mines Ltd., Consolidated Van-Tor Resources Ltd., Yukon Antimony Corporation Ltd. and Madrona Explorations Co. Ltd. will hold special meetings on 15Dec70 in Hotel Vancouver, Skeena at 10 a.m., Van-Tor at 11:00, Yukon at noon and Madrona at 2 p.m. Proposals to be considered are approval of a 13Nov70 agt. for amalgamation of all four firms and of a 9Nov70 agt. for the resulting amalgamated company to merge with and buy the undertaking of Mariner Mines Ltd. No other information pertinent to the merger and additional to that in GCNL 228, 10Nov70 and GCNL 235 has as yet been provided.

#### PINE LAKE MINING CO. LTD.

**RESULTS OF SMALL FALL - DRILL PROGRAM OUTLINED** - Pine Lake Mining Co. Ltd. president, Ray Hrkac has reported continuation of the diamond drill program, this fall on the C Zone of the Harrison property at Owl Creek near Pemberton, B.C., has added to the dimensions of the known mineralization indicating a tonnage potential of 10 to 20 million tons of 0.3 to 0.4% Cu. Two zones of mineralization have been encountered in the drilling to date with a third zone exposed on surface 100 to 200 feet NE of the drill holes and as yet untested.

Two holes were drilled this fall both collared at hole C-1. Hole C-9 was drilled N 25 W at -45 and hole C-10 at S 25 W at -84. Minor mineralization was encountered in hole C-9 which supports a moderate NE dip of the mineralization. Hole C-10 intersected 120 feet averaging 0.23% Cu, including a 47 foot section of 0.50% Cu and 5 feet of 1.35% Cu. This intersection is 200 feet back of the 350 ft. of 0.40% Cu in hole C-1 and indicates 600 feet of down dip mineralization.

On the portion of the C Zone tested by drilling, it has now been proven that a sizeable tonnage of mineralization exists, while additional exploration targets on this same zone remain to be tested.

The D zone, now at the drilling stage, is similar to the C Zone in regards to the surface survey results and larger in area. The potential in these two Zones alone warrants the continuation of diamond drilling in 1971. In addition there is the B Zone of exposed surface mineralization remaining to be explored in detail and two miles of unexplored area on strike of the known zones.

#### ORO MINES LTD.

**DRILL PROGRAM STARTED** - Start of diamond drill testing of an electromagnetic and magnetic anomalous area on its Timmins, Ont., property 27Nov70, has been reported by Oro Mines Ltd. There are a number of nickel showings in the area. Oro has issued 15,000 shares to R.E. Allerston as part payment for the property. The final payment of 15,000 shares is due 15May71.

685-4828