

GRANITE MOUNTAIN MINES LTD.

812945

AREA WIDE PROGRAM NORTH OF GIBRALTAR - Granite Mountain Mines Ltd. is one of 7 companies SUPPORTED BY GRANITE MTN. & 6 OTHERS which assigned an aggregate of 470 mineral claims in McLeese Lake area to McLeese Lake Copper Mines Ltd. Granite Mountain contributed to the consortium claims which it had acquired for \$3,000 cash to

Corporate Structure

Inc.: B.C., 24Mar69; public 19Jan70.
H.O.: 1710-1177 W.Hastings, Vancouver.
Reg. & T.A.: Guaranty Trust Co. of Canada
Auditors: MacGillivray & Co.
Auth. Cap.: 5,000,000 shs., 50¢ per.
Shares Issued:

For properties, escrowed BCSC	750,000
For \$27,501 cash	275,002
Outstanding 30Sep69	1,025,002
Public Offering, 20Jan70	400,000
To be Outstanding if fully subs.	1,425,002

Financial Position: spent to 30Sep69 was \$21,059 leaving work. capital at that date \$6,441.

Public Share Offering: by prospectus 20Jan70, the company offers 400,000 shs. at 25¢ p/s subj. to 6¼¢ per share commission to net \$75,000.

Directors: E.A.Little, president; S.S.Chambers vice-president; Ian Hagemoen, I.Shulman, T.P.Bowes.

Promoters: E.A.Little, S.S.Chambers, Ian Hagemoen.

McLeese Lake shares.

McLeese Lake Copper is presently carrying out a recommended field program in the nature of an area wide engineering survey on the property and has given notice to Granite that calls for more funds which will be made within the near future.

The program follows the recommendation of Alfred R.Allen, P.Eng., in his report of 20Aug69. He outlines work estimated to require a total of \$500,000. Toward the initial phase, the current financing of Granite Mountain is designed to provide \$75,000 to supplement approx. \$2,500 on hand. Granite allocates this as follows: \$20,000 for the obligation under the June, 1969 agreement, \$42,500 for further advances which may be required under this agreement and \$15,000 for company overhead costs.

In his summary, Mr. Allen says that as evidenced by current percussion drilling on the BIT group of McLeese Lake Copper Mines, and by reconnaissance mapping to the north and east, the favorable geological environment extends well on to the McLeese Lake copper holdings. After I.P.surveys, the recommendations call for percussion drilling to be followed up by core drilling to supply grade data and detailed geological information within mineralized zones.

The other firms contributing to the program are: Highland Queen Mines Ltd., Morocca Mines Ltd., Vanguard Explorations Ltd., Argonaut Mines Ltd., Astor Mines Ltd. and Marguerite Lake Mines Ltd.

FOR THE RECORD

Empire Mercury Corporation Ltd. postponed annual meeting resulted in re-election of directors following a contested vote on acceptance of the adoption of the president's report. The share vote for acceptance was 920,270 in favor and 267,400 against. The directors re-elected were: D.W.Tully, geologist, director since 2July69, (holding 1500 shs.); C.William McK.Burge, lawyer, director since 12July65 (16,010 shs); Pieter Branes, retired contractor, director since 16Dec66 (59,000 shs); Edwin Phillips, prospector, director since 12 July69, (250,000 shs). In his report, Mr. Tully, as president, said results of the program at the Manitou Mercury property north of Gold Bridge, B.C., show a modest tonnage of medium grade mercury ore. Consultants, Bacon & Crowhurst, had recommended that results of the underground D.D. program be followed up with a surface program to test the downward and lateral continuity of the ore and that surface D.D. be done on the several other showings, one of which showed 5 lb. of mercury, per ton across 45 ft. of surface exposure. Cost of this program the consultants estimated at \$126,000 and its purpose is to provide data for a feasibility study this fall. Regarding the company's new copper prospect SE of Telegraph Creek, B.C., the president said it showed extensive copper mineralization on surface, some of which is ore grade across open pit widths. Preliminary exploration there at a cost of some \$50,000 is planned. Of 5,000,000 shs. auth., statement to 31Oct69 showed 2,225,020 shs. issued, incl. 600,000 sold during the year to 31Oct69, to net \$130,000. In the year to that date expenditures totalled \$65,713. Work. cap. at 31Oct69 was \$56,912 vs a work. cap. deficiency of \$7,801 at start of the year. Of the issued shares, 485,000 are held in escrow. (Previous items-GCNL 209,247,274 and 284, all in 1969).

CAROLIN MINES LTD.

MERRITT AREA NATIVE COPPER SHOWINGS TO BE FOLLOWED UP - Exploration activity of Carolin Mines Ltd. is currently confined to its Tyner Creek Project located in the Nicola M.D. at the confluence of the Tyner and Guichon Creeks, 11 miles NW of Merritt, B.C.

The company reports that, at a cost of \$38,387 to date, it has established a new grid, an I.P. and a magnetic survey over an area 8,000 ft. by 4,000 ft. Resistivity and self-potential measurements were made and 5 D.D. holes drilled for a total of 3,500 ft. Drilling has shown presence of trace amounts of native copper over a wide area. The program follows recommendations of J.H. Montgomery, P.Eng., and includes an initial phase of geochemistry and test drilling at an estimated cost of \$20,000 and a second phase of drilling at an estimated cost of \$26,000. As reported in GCNL No. 204, the company has received \$45,000 from an underwriting of 150,000 treasury shs. at 30¢ p/s and proposes to proceed with the first phase of which \$10,000 will be devoted to diamond drilling.

An audited statement as at 31 May 69 showed that Carolin had raised \$91,875 in the year ended on that date from the sale of 350,000 shs. and that it had spent a total of \$93,173. Working capital deficiency at the yearend was \$21,991 vs \$20,693 deficiency at the start of the year. Of 5,000,000 shs. auth., 1,600,000 were issued incl. 750,000 for mineral claims and 850,000 for \$171,875 net cash.

In his report on the Nicola property, Mr. Montgomery says that most of the drilling targets delineated by I.P. methods have been tested without success. However, he says presence of native copper in all of the holes is sufficiently encouraging to warrant some additional work. In addition, an EM survey has delineated conductive zones which should be further investigated.

The company does not presently propose to conduct operations on 3 other properties held: 1. on Pettitot Islands, NWT; 2. on Quilchena Creek, B.C., 11 miles east of Merritt; and Warren Creek project on a tributary of Bobbie Burns Creek and Spillamacheen River.

Full purchase price of the "Elroc" and "Tap" claims of the Tyner Creek group is \$102,000, of which \$2,000 has been paid, and 50,000 previously issued shs. transferred to the vendor by the holders for benefit of the company. The balance of \$102,000 is payable out of production at the rate of 5% of the net smelter returns. The "Flag" claims of the Tyner Creek group were acquired from O. Gillespie and J. Wilcock, directors of the company, for the full consideration of 750,000 shs.

EMPIRE MERCURY CORPORATION LIMITED

UNDERGROUND DIAMOND DRILLING - TESTING MINERALIZED ZONE IN EFFORT TO UPGRADE PERCUSSION DRILLING VALUES - A \$45,000 first phase underground wireline diamond drilling program is now underway on the 74 claim mercury property of Empire Mercury Corporation Limited in the Gold Bridge-Bralorne-Lillooet area of B.C. The 3,000 feet of drilling in the current program is being done with large diameter core in an effort to secure a more accurate sample of the mineralization in hopes that grade will be increased by the bigger quantities of material assayed. The program was recommended and is being directed by Crowhurst & Bacon, consulting geologists, following a detail evaluation of the results of earlier property programs which included percussion drilling in 1966-67 as well as underground drifting and sampling. This work outlined reserves of 700,000 tons grading 1.1 lbs. of mercury per ton (Recent mercury prices: 76 lb. flask at \$490.00 or \$6.44 per lb.) plus a possible further 700,000 tons of the same grade all to a depth below, surface of only 250 feet. Trenching earlier this year outlined zones of high-grade cinnabar mineralization where testing is continuing. Further drilling is anticipated on completion of the first phase.

During the eight months ended 30 June 69, Empire Mercury received on 1 May 69, an underwriting covering 200,000 shares at 25¢ per share from Union Securities bringing funds raised during the period to \$130,000 and the shares issued to 2,224,020 of the 5,000,000 shares authorized. Shares of the company were posted for trading on the Interim Board of the Vancouver Stock Exchange on 17 Feb 69. Expenditures during the eight months totalled \$13,466 including \$187 on exploration. Working capital at 30 June 69 was \$110,261.

Following recent changes, directors of the company are: D.W. Tully, president, Peter Brandes, vice-president, C.W. McK. Burge, secretary and Edwin Phillips, director.

As well as pursuing the mercury property program, an active search for other properties of merit is being aggressively followed by the company.

CANADIAN BONANZA PETROLEUMS LTD.

WINTER DRILLING PROGRAM TO TEST LA RONGE NICKEL-COPPER PROPERTY - Canadian Bonanza Petroleum Ltd. of Calgary and Silver Chief Minerals Ltd. of Edmonton, have received assay results from the most recently completed diamond drilling program on their nickel-copper property at Clam Lake in the La Ronge area of Saskatchewan.

Previous drilling and geophysical work established a mineralized zone along an anomaly in excess of 1500 feet in length. The conductor has been further tested with three 60° angle holes to determine the width of the mineralization at a greater depth. These holes intersected commercial ore grade mineralization showing true widths of between 25 and 30 feet, some 100 feet below the surface. No attempt has yet been made to determine the ultimate depth of this mineralization. Assays across this 25 to 30-foot width of mineralization averaged 1.5% nickel and 0.4% copper. Results to date suggest a series of steeply dipping and plunging ore shoots of high-grade nickel-copper mineralization. Plans are currently being made for a large scale winter drilling program to test that portion of the anomaly which extends out into Clam Lake.