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NO.118(1972)
JUNE 20, 1972

George Cross News Letter

"Reliable Reporting"

NO.118(1972)
JUNE 20, 1972

WESTERN CANADIAN INVESTMENTS

GEORGE SPARLING LTD.

YEAR ENDED FEB29	1972	1971
Sales	\$5,768,962	\$3,127,053
Cost of Sales & Ops.Exp.	5,115,290	2,750,300
Salaries Etc.	143,800	79,300
Depreciation	28,729	15,924
Income Taxes	216,527	133,296
NET INCOME	\$ 264,616	\$ 148,233
Earns.:P/Share	33.5¢	26.7¢
Fully Diluted	32.3¢	26.3¢
Shares Issued - Common	682,813	546,250
A Pref.	25,000	25,000
B "	420,000	-
Current Assets	\$2,219,660	\$1,124,089
Current Liabilities	1,137,629	575,720
Working Capital	\$1,082,031	\$ 558,369

In reviewing the highlight for the year ended 29Feb72, J.P.Lockington president of George Sparling Ltd. included: Merger with Lockington Sports Limited of Brantford, Ontario to form national company, sales increased 85%; net income increased almost 80%; earnings p/s (fully diluted) increased by 23%; and a 18,000 square foot institutional sales warehouse opened in Toronto, together with clothing and metal equipment plants in Brantford. New national corporate headquarters established in Vancouver.

He also stated that sales increased in total by \$2,641,909, including nearly \$1,800,000 from the inclusion for the first time of the operations of Lockington Sports

Limited. Real sales increase generated internally was in excess of 17% with all three operating divisions showing substantial gains. He also states "while continuing to strive for bigger sales volumes this year, we will also be stressing a program of national communication and consolidation. We will be concerned with doing a better job of money management, inventory usage and cost control. One of the important functions of the national headquarters will also be the establishment of a more meaningful purchasing program in order to combat ever rising product costs and to better our sales margins."

John Bruk, a partner in the law firm of Lawrence & Shaw, and Mr.Stewart Lockington, purchasing manager, Quaker Oats Co. of Canada Ltd., have joined the board of directors.

INITIAL DEVELOPERS CORPORATION LTD.

COMET INDUSTRIES LTD.

DAVENPORT OIL & MINING LTD.

FIRST HOLE ASSAYS ENCOURAGING - Initial Developers Corporation Ltd. operator under the option agreement on the Davenport Oil & Mining Ltd. property 8 miles west of Kamloops, B.C. has announced the results of the assays from the first diamond drill hole in the current series which is being directed to test a very large induced polarization anomaly, some 4,000 ft. by 1,500 ft. The anomalous target is on both the Davenport claims and on the Comet Industries Ltd. claims which adjoin to the west. The target area has been confirmed by magnetometer and electromagnetic survey work.

Assay results for Hole No.1 are as follows:

Interval	Footage	Copper %
39 - 620 feet	581 feet	0.625
including		
39 - 220 feet	181 "	0.497
220 - 260 "	40 "	Waste
260 - 370 "	110 "	1.119
370 - 620 "	250	0.58

The drilling is continuing with three diamond drill holes completed on the Davenport property along with one rotary hole. The fourth diamond drill hole is continuing.

By the option agreement, Initial Developers in equal partnership with Comet can earn a 70% interest in the Davenport property by placing the ground into production.

On the adjoining Comet property the anomalous target is now being tested by a rotary machine. Preliminary indication from the property is that results are favourable, from this first rotary hole.

The balance of the drill holes on the Davenport property are being logged, split and will be assayed in the near future.

HY'S OF CANADA LTD.

SIX MONTHS ENDED MAR31	1972	1971
Gross Income	\$3,630,485	\$3,178,848
Cost of Prod. Inc.	3,143,427	2,834,955

Hy's of Canada Ltd. president, Hy Aisenstat states in the six months report that "It is with considerable satisfaction for the second year in a

G.C.N.L. NO. 43 - Mar. 2, 1972

COMET INDUSTRIES LTD.

INITIAL DEVELOPERS CORP. LTD. ✓ ✓

FIRST HOLE STARTED ON CLAIM - Jack Wiley, president of Comet Industries Ltd., has announced BLOCK EAST OF AFTON MINES that the company's 86 claims, located adjoining the east side of the Afton Mines Ltd. property, 10 miles west of Kamloops, B.C., is now being diamond drilled. The property is being explored by a recently formed B.C. company, Initial Developers Corp. Ltd. (IDC) which can earn a 50% interest in the claims by bringing them into production. The property vendors interest in IDC is held by Comet Industries and IDC has raised approximately \$100,000 for the current program on a private company basis. The property has been subject to extensive exploration in the past by Comet Industries and the recent work has included detailed induced polarization survey work. Canadian Longyear holds the drilling contract. The diamond drilling will be supplemented with percussion drilling as soon as a machine can be moved to the property. The present drilling is directed to test targets located by the recent induced polarization work and to confirm findings of earlier programs.

Mr. Wiley stated that, IDC, of which he is also president, is expected to carry out public financing in the near future as property results and additional programs warrant.

GEORGE CROSS NEWS LETTER LTD. NO. 71

APRIL 13, 1972

COMET INDUSTRIES LTD.

SECOND PHASE DIAMOND - A second phase diamond drilling contract has been let for a minimum of DRILL CONTRACT LET 10,000 feet on the Comet Industries Ltd. property located between the properties of Afton and Leemac Mines Ltd. in the area 10 miles west of Kamloops, B.C. The first phase of work included four diamond drill holes and eight percussion drill holes. Assay results from this drill program are expected to be available in the near future. The drilling equipment for the current phase of work is on the property and at last report was drilling ahead at 278 feet in the first hole.

The 96 claim property is subject to an exploration agreement with the recently formed Initial Developers Corporation Ltd. which can earn a 50% interest in the property by placing it into production.

Public financing of both Comet Industries Ltd. and Initial Developers Corp. are the subject of advance negotiation.

G.C.N.L. NO. 83 - May 1, 1972

COMET INDUSTRIES LTD.

INITIAL DEVELOPERS CORP. LTD.

NORTH PACIFIC MINES LTD. ✓ ✓ ✓

FIRST HOLES IN ONE OF EIGHT PRIME TARGETS CUT GOOD GRADE - Comet Industries Ltd. owns 86 claims lying to the east of the Afton Mines Ltd. property and west of the Leemac Mines property, in the Kamloops, B.C., area. Jack Wiley, president of Comet Industries, has reported that the first series of holes drilled on the property have been completed and that the results from two holes are available. Both of these holes were drilled at -60° to the southwest. The first hole collared in mineral and to 230 feet averaged 0.54% copper and from 370 feet to 420 feet cut 50 feet grading 0.46% copper. The second hole cut from 100 feet to 320 feet a 220 foot section of 0.7% copper. These holes were drilled to test one of the smaller of the eight prime target anomalies outlined by the detailed geophysical survey program which has been underway on the property for several months and is still continuing. The second phase drill program is now underway with one diamond drill rig and one percussion rig, testing several other of the anomalous areas.

Initial Developers Corp. has the right to carry out exploration work on the Comet claims and thereby earn an interest. North Pacific Mines Ltd. is the owner of 750,000 of the issued shares of Comet Industries which at 11 Jan 72, totalled 1,872,006 shares.

COMET INDUSTRIES LTD.

Note - not Davenport area ✓

DEVELOPMENTS CONCERNING - In his annual report, R.J.Wiley, president of Comet Industries Ltd., THREE PROPERTIES NOTED refers to recent developments related to Comet's three copper prospects in the Highland Valley/Kamloops area of B.C. One is the agt. made with Getty Mining Pacific, Limited and North Pacific Mines Ltd. on the Krain property, some 2 miles NW of Bethlehem Copper's mill. Another is Bethlehem's significant discovery in the J.A. zone on the eastern part of its Highland Valley property a few miles east of which Comet holds 26 claims. The third is the recent discovery of native copper by Afton Mines Ltd. on its property some 10 miles W of Kamloops adjoining which to the E, Komet holds some 50 claim. Mr.Wiley hopes some early results of Getty's work to be available at the annual meeting 21Jan72, 9 a.m., Bayshore Inn, Vancouver.) He indicates work will be done this year on the other two properties either by Comet or through farmout. He says negotiations for new projects continue, indicating these include activities other than mining such as real estate and hotel development.

Briefly, the 15Nov71 agt. with Getty and North Pacific (to whom Comet had optioned the Krain property) provides for Comet to receive a royalty of 10¢ per ton of ore mined, payable by North Pacific out of its 25% of all profits from a mining operation after return of pre-production expenses and capital costs. For detail of the Getty agt., ratification of which will be considered at the annual meeting, see item on North Pacific above. Comet's option agt. with North Pacific has been amended to reflect dates in the Getty agt., chiefly for the notice of production intention. North Pacific continues liable to pay Comet \$1,000 monthly until production is attained.

Following approvals by shareholders at the last annual meeting and subsequently of regulatory bodies, the company was converted from a specially limited to a limited company and the name was changed from Comet-Krain Mining Corporation Ltd. without alteration of capital.

NO.13(JANUARY 20,1972) + GEORGE CROSS NEWS LETTER LTD.

COMET INDUSTRIES (\$65) - NORTH PACIFIC MINES (\$1.35) - DAVENPORT MINES (\$1.54)

An important diamond drill hole intersection has been obtained in the Afton area on property shown on maps as Kamloops Copper. The hole is located in a section of the property that has not been investigated previously. It is within an I.P. anomaly that is described as 4,000 ft. long and 2,600 ft. wide, two-thirds of which is on Comet's ground and one-third on Davenport ground. The drill hole, which is located 300 ft. from the common boundary on Davenport's ground, is reported to have intersected well in excess of 400 ft. of ore grade material. The hole is presently at 840 ft. and described as still in ore. It is the second hole on the anomaly. The first was drilled on the common boundary and described as intersecting ore from 900 ft. to 1,035 when stopped. The situation is complicated by inter-company dealing among Comet, Davenport and IDC, a private company, which are under the same management. North Pacific became involved as it holds 750,000 shares of Comet - presently a 40% interest which undoubtedly will soon become diluted. If a mine is developed, Davenport would give up 70% to 80% of its property to Comet and IDC - sharing equally - and IDC may earn 50% of Comet's property. Consequently, Comet will retain 35% to 40% of the Davenport property plus 50% of its own. Also it is able to build its share interest in Davenport to 6%. There is high risk attached to the issues and only additional drill results will determine real values. Comet represents the better method of participation, but is unlisted and more difficult to follow; Davenport is our second choice.

BONGARD, LESLIE & CO. LTD., 20 King Street West, Toronto

COMET INDUSTRIES L. - 2502, 1177 W Hastings St, Vancouver. R. J. Wiley, pres; W. H. Pierre, sec. Cap: 5,600,000 shs, npv; IS: 1,872,000 (\$99,077 estrowed). Controlled by North Pacific ML which holds 750,000 shs. Tr Ag: Yorkshire Tr, Vancouver. (1) Copper pros, 22 cl, Cadamet area, Kamloops dist, BC. (2) Royalty int of 10¢ per ton on any ore mined from Kamloops prop adj (1) leased to North Pacific ML. Name changed Aug 1970 from Comet-Krain Mining Corp L, basis sh for sh.

North Pacific Mines Ltd., by a 10Jan72 agt., has received an underwriting of 200,000 shares at 37.5¢ each from Burleigh & Partners Ltd. and has granted Burleigh options on 200,000 shs. at 42.5¢ each due 16Apr72 and on 200,000 shs. at 47.5¢ each due 15Jul72.

GEORGE CROSS NEWS LETTER NO.13(1972)

JANUARY 20, 1972

NORTH PACIFIC MINES LTD.

AGREEMENT ON KRAIN CLAIMS WITH GETTY & OTHER INTEREST REVIEWED - Although the prime item in the annual report of North Pacific Mines Ltd. is the agreement made with Getty Oil Company's subsidiary, Getty Mining Pacific, Ltd., on the Krain property in Highland Valley, B.C., president Jack Wiley refers also to another property there, the company's large Dansey group lying to the east and north of the recently discovered J.A. zone on the Bethlehem Copper property. He says several major firms have made enquiries about the Dansey group in recent months. Elsewhere, he notes, North Pacific acquired in January 1971, a 60% interest in mineral claim block CBS 2476 near Uranium City, NW Saskatchewan, which management intends to hold in good standing pending return of a favorable uranium market and increased activity in the area.

Mr. Wiley hopes some results of Getty's first phase work on the Krain property (some 2 miles NW of Bethlehem Copper's mill) will be available at the annual meeting (21Jan72, 10 a.m., Bayshore Inn, Vancouver). Ratification of the Getty agreement will be considered at the meeting. Nominees for election as directors are incumbents John R. Wiley, president and Raymond Signorello, v. pres. (who hold respectively 7,500 shares and 36,719 shs. directly and jointly hold 101,670 indirectly); Leonard G. Ridgeway, sec. treas. (nil shs.); Arthur T. Warnken (nil shs.), all of Vancouver; Wm. H. Pierre, v. pres. (262,227 shs.) of Seattle, Wash.; Chas. N. Gowen (38,400) of Chilliwack, B.C.; and Jas. F. Barr (19,500) of New Westminster.

The Getty agt. provides for a division of profits from a mining operation, after return of all preproduction expenses and capital costs, on the basis of 75% to Getty and 25% to North Pacific.

Comet Industries Limited is the company from which North Pacific optioned the property and it holds a royalty of 10¢ per ton of ore mined which is payable by North Pacific out of its 25% of the profits.

Getty, to keep the agt. in good standing, must give notice and spend on the exploration and development of the property \$100,000 in each of 1973, 1974, and 1975. Only the \$100,000 to be spent in 1972 is a firm commitment, each subsequent year the work is optional. No property work is required for 1976. In each year, 1977 to 1981, Getty's option calls for \$400,000 worth of work to be completed by December 31, for a total of \$2,000,000 over the five years. The 1977 to 1981 optional work requirements could be met by paying 70% of the requirement to North Pacific in cash.

In addition to carrying out the optional work requirement from 1976 on, Getty must make optional advances of net profit royalty payments to North Pacific of \$200,000 in 1976; \$50,000 in each of 1977, 1978, 1979 and 1980; \$100,000 in 1981; \$1,000,000 in 1982 and a further \$1,000,000 in 1985.

At any time prior to 1Jan86, Getty has the right to give notice to place the property into production. In such notice Getty must state: that its expenditures will exceed \$5,000,000 within 36 months from such production notice date; or that its expenditures will exceed \$20,000,000 within 60 months; or that its expenditures will exceed \$50,000,000 within 72 months.

In the 10 months to 30Nov71, North Pacific received \$67,566 (being \$60,000 from sale of 400,000 shs., \$5000 from sale of option on claims, \$2,566 proceeds from sale of investments). Applied were \$65,227 (being \$8,002 option payments and purchase of properties, \$18,699 expl'n and \$38,794 admin. less \$268 interest earned). The \$2,339 excess received reduced working capital deficit to \$6,245 at 30Nov71. Investments held were 750,000 shs. of Comet Industries (including 638,100 in escrow) at cost of \$110,499; 638,000 shs. Stikine Iron Mines Ltd. (including 250,000 in escrow), \$50,100; 37,500 Northlake Mines Ltd. (all in escrow), \$5,200; and 1,000 South Pacific Mines Ltd., \$1,413. These are carried in the 30Nov71 balance sheet at the total cost of \$167,212. Market value then was \$413,550.

G.C.N.L. NO. 14 - Jan. 21, 1972

Comet Industries Ltd., in the 13 months to 30Mar71, received \$7,867 in interest and option payments and applied \$48,487 (being \$10,827 expl'n, \$4,250 option payments for claims, and \$33,410 admin.). The \$40,620 excess applied reduced working capital to a deficit of \$29,828 at 30Mar71, when, of 5,000,000 shs. auth., 1,872,006 were issued, unchanged at 11Jan72.

CORRECTION: The liability of North Pacific Mines Ltd. to make payments to Comet in respect of its option on Comet's Krain property is at a rate of \$1,000 annually and not monthly as had been wrongly noted in GCNL 13, 20Jan72.

That story reviews Comet's annual report and the agt. with Getty Mining Pacific, Ltd. on the Krain property to be considered at the annual meeting on 21Jan72. Nominees for election as directors are incumbents John R. Wiley, president; Raymond Signorello, sec. treas., both of Vancouver; and Wm. H. Pierre, v. pres. of Seattle, Wash. Although they own no shares directly, they are the principal directors of North Pacific which holds 750,000 shs. of Comet and are the sole directors of Cadco Enterprises Ltd., which holds 486,000 shares of Comet.

G.C.N.L. NO. 15 - Jan. 24, 1972

North Pacific Mines Ltd. option granted by 10Jan71 agt. to Burleigh & Partners Limited on 200,000 shares at 47.5¢ each due 15Jul72 has been exercised. There are no further options outstanding.

G.C.N.L. NO. 15 - Jan. 24, 1972

North Pacific Mines Ltd. advises it intends to use the \$75,000 from the underwriting portion of the new financing detailed in GCNL No. 11(72) as to \$50,000 to proceed with a program at its Dansey claims in Guichon Creek area, Highland Valley, B.C., as recommended by D.W. Pringle, P. Eng., 6Jan72. The balance will be used to retire existing indebtedness of approx. \$20,000 leaving \$5,000 for general purposes. Including \$60,000 from sale of 400,000 shs. North Pacific received a total of \$67,566 in new funds in the 10 months to 30Nov71 and spent \$65,227. The increase of \$2,339 left working capital deficiency at \$6,245 vs a deficiency of \$8,584 at start of the period. Mr. Pringle advised in summary that the exploration done in past years, covering almost a decade, offers in the case of the South Dansey property an excellent opportunity to bring mineral search on it to a climax and decide intelligently whether it has a promise as a future copper producer or not. He suggests deep diamond drill holes to test the most promising areas at an estimated \$125,000 and calculates that 8,000 ft. of drilling distributed in 8 to 12 holes would have an all included cost of \$15 per drilled foot.

G.C.N.L. NO. 49 - Mar. 10, 1972

North Pacific Mines Ltd. shares are no longer in primary distribution.

NORTH PACIFIC MINES LTD. (VSE)

EX.O.: 2502, 1177 W Hastings St, Vancouver. OFF A
DIR: R. J. Wiley, pres; R. E. Signorello, exec v p; W. H. Pierre, Seattle, Wash, v p; L. G. Ridgway, Vancouver, sec-treas; J. F. Barr, New Westminster, BC; C. N. Gowen, Chilliwack, BC; A. Warnken, Vancouver; dirs. INC: 1964, BC chart. CAP: Auth. 5,000,000 shs, npv; iss 3,915,000 (459,000 escrowed) TR AG: Yorkshire Trust, Vancouver.

Prop & Dev: (1) Copper-molybdenum pros, 28 ct optioned from Comet Industries L, Kamloops div, BC work by prev owners, co & outside ints under option incl geochem & geophys surveys, trenching, & d & 1970, percussion drilling, leaching, flotation tests, X-ray defraction & engineering & feasibility study. Totl work to Mar 1971 on cts, est \$200,000 by North Pacific & over \$500,000 by other ints. Feb 1971 engineering report est approx 20,000,000 tons aver 0.45% copper. Mar 1971, drilling in progress; co negotiating with outside ints to dev prop. (2) Copper-molybdenum pros, 98 cts, Kamloops div, BC; drilling planned, summer 1971. (3) Base metal pros, 100 cts, Omineca div, BC; drilling planned, summer 1971. (4) Jan 1971, option to acq 60% int in uranium pros, approx 30 ct Athabasca dist, Sask. (5) Holds 638,000 shs (38.6% incl) incl 250,000 escrowed shs, Stikine Iron ML; & 750,000 shs (approx 40% int) incl 638,000 escrowed shs, Comet Industries L.

Fin: Jan 31, 1971, had \$517 cash; curr liabs \$9,101 Mar 1971, 400,000 shs sold for \$60,000; option outstanding on 200,000 shs at 20¢ per sh due June 21, 1971

G.C.N.L. NO. 1 - Jan. 4, 1972

Consolidated Prudential Mines Ltd. annual meeting 30Dec71 approved the proposal to amalgamate with Kamloops Copper Consolidated Ltd. and Midland Petroleum Ltd. as outlined in GCNL 248, 23Dec71, save that the proposal was amended in that the name of the amalgamated company is Davenport Oil and Mining Ltd. rather than Mid-Kam Mines Ltd. The proposals are subject to approvals of regulatory bodies and to shareholders of Kamloops Copper and Midland Petroleum whose meeting, lacking quorums, were adjourned to 6Jan72 at 2:00 p.m. on the Georgia Hotel, Vancouver.

G.C.N.L. NO. 5 - Jan. 10, 1972

Kamloops Copper Consolidated Ltd. and Midland Petroleum Ltd. adjourned meetings on 6Jan72 approved proposals to amalgamate with Consolidated Prudential Mines Ltd. under the name Davenport Oil and Mining Ltd. (GCNL 248, 23Dec71 and GCNL 1, 4Jan72 refer). Approvals of B.C. Securities Commission and Vancouver Stock Exchange for the amalgamation and listing of the Davenport shares are being applied for. Jimrock Mines Ltd. annual meeting will be held on Saturday, 15Jan72 at 11 a.m. in Georgia Hotel, Vancouver. Management's nominees for election as directors are the incumbents, Wm. Heady, Chas. Lieb and Martin Toban, each owning 75,000 shares. Proxy material shows 1,219,475 shares issued of which the major holders are Margaret Gibb with 376,500 and Monty Simons with 150,000. Mrs. Gibb was one of the requisitioners of an extraordinary meeting held on Oct. 30/71 to consider a proposal to replace the incumbent directors. (GCNL 202, Oct. 19/71; 208 and 214 refer). Financial statements for the period, not being available yet, have not been provided with the meeting material.

G.C.N.L. NO. 46 - Mar. 7, 1972

Davenport Oil & Mining Ltd. has now been incorporated in B.C. pursuant to an amalgamation agt. whereby one share of Davenport will be issued in exchange for each 6 issued shs. of Kamloops Copper Consolidated Ltd., for each 2 shs. of Consolidated Prudential Mines Ltd., and for each 10 shs. of Midland Petroleum Ltd. Transfer agent is Guaranty Trust Co., Vancouver.

G.C.N.L. NO. 103 - May 30, 1972

Davenport Oil & Mining Ltd. will be listed 30May72 on Mining Section of Vancouver Stock Exchange, symbol DVO. Of 3,000,000 shs. with par value 50¢ each authorized, 1,709,991 are issued including 330,500 shs. in escrow. Transfer agent is Guaranty Trust Co.

G.C.N.L. NO. 105 - June 1, 1972

Davenport Oil & Mining Ltd. by 9May72 agt., has had 200,000 shs. underwritten at 35¢ each by West Coast Securities Ltd. and has granted them options on 200,000 shs. at 35¢ each due 30July72 and on 200,000 at 40¢ each due 28Oct72.

G.C.N.L. NO. 108 - June 6, 1972

DAVENPORT OIL & MINING LTD.

KAMLOOPS PROPERTY DEAL - PLUS NEW FINANCING - Davenport Oil & Mining Ltd. is the owner of 21 Crown Granted mineral claims, immediately west and south of the property of Comet Industries Ltd. and Initial Developers Ltd. approximately six miles west of Kamloops, B.C. Under a 24March72, contract Davenport Oil & Mining made a property exploration development agreement, with Comet Industries and Initial Developers Corp. Ltd., as to 50% each, whereby the two companies can earn a 70% interest in the claims by placing them into commercial production. If the costs to production exceed \$10,000,000 then the interest earned increases to 80%. To keep the contract in good standing Comet and I.D.C. must spend a minimum of \$25,000 in 1972, \$50,000 in 1973 and \$75,000 in 1974 on the exploration of the property. The notice of intention to place the property into production must be given by 31Dec76, and production must be attained within five years of giving notice.

Davenport Oil was formed the the merger of three companies for which there were share exchanges on the following basis: one Davenport for each six shares of Kamloops, Copper Consolidated Ltd.- each two shares of Consolidated Prudential Mines Ltd.- each 10 shares of Midland Petroleum Ltd. The shares of Davenport were listed on V.S.E. 30May72, since which date West Coast Securities has underwritten and exercised options on: 400,000 shares at 35¢, 200,000 shares at 40¢ per share placing \$220,000 in the treasury and bringing the issued shares to 2,309,991 of which 330,500 are in escrow. Diamond drill testing of a large geo-physical target on the property is now underway with encouraging initial indications.

Geo-Star Resources Ltd. shs. and Davenport Oil & Mining Ltd. shs. are cut of primary distribution Slocan Development Corporation Limited by 26May72 agt. acquired all assets of Fabulous Foods, Inc. and its rights held from Fantastic Fudge, Inc. for 130,000 shs. issuable 54,000 shs. forthwith & balance in 15,000 share lots at 30-day intervals NO. 109 (JUNE 7, 1972) + GEORGE CROSS NEWS LETTER LTD.

G.C.N.L. NO. 1 - Jan. 4, 1972

Consolidated Prudential Mines Ltd. annual meeting 30Dec71 approved the proposal to amalgamate with Kamloops Copper Consolidated Ltd. and Midland Petroleum Ltd. as outlined in GCNL 248, 23Dec71, save that the proposal was amended in that the name of the amalgamated company is Davenport Oil and Mining Ltd. rather than Mid-Kam Mines Ltd. The proposals are subject to approvals of regulatory bodies and to shareholders of Kamloops Copper and Midland Petroleum whose meeting, lacking quorums, were adjourned to 6Jan72 at 2:00 p.m. on the Georgia Hotel, Vancouver.

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G.C.N.L. NO. 103 - May 30, 1972

Davenport Oil & Mining Ltd. will be listed 30May72 on Mining Section of Vancouver Stock Exchange, symbol DVO. Of 3,000,000 shs. with par value 50¢ each authorized, 1,709,991 are issued including 330,500 shs. in escrow. Transfer agent is Guaranty Trust Co.

G.C.N.L. NO. 105 - June 1, 1972

Davenport Oil & Mining Ltd. by 9May72 agt., has had 200,000 shs. underwritten at 35¢ each by West Coast Securities Ltd. and has granted them options on 200,000 shs. at 35¢ each due 30July72 and on 200,000 at 40¢ each due 28Oct72.

G.C.N.L. NO. 108 - June 6, 1972

DAVENPORT OIL & MINING LTD.

KAMLOOPS PROPERTY DEAL - PLUS NEW FINANCING - Davenport Oil & Mining Ltd. is the owner of 21 Crown Granted mineral claims, immediately west and south of the property of Comet Industries Ltd. and Initial Developers Ltd. approximately six miles west of Kamloops, B.C. Under a 24March72, contract Davenport Oil & Mining made a property exploration development agreement with Comet Industries and Initial Developers Corp. Ltd., as to 50% each, whereby the two companies can earn a 70% interest in the claims by placing them into commercial production. If the costs to production exceed \$10,000,000 then the interest earned increases to 80%. To keep the contract in good standing Comet and I.D.C. must spend a minimum of \$25,000 in 1972, \$50,000 in 1973 and \$75,000 in 1974 on the exploration of the property. The notice of intention to place the property into production must be given by 31Dec76, and production must be attained within five years of giving notice.

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Geo-Star Resources Ltd. shs. and Davenport Oil & Mining Ltd. shs. are cut of primary distribution Slocan Development Corporation Limited by 26May72 agt. acquired all assets of Fabulous Foods, Inc. and its rights held from Fantastic Fudge, Inc. for 139,000 shs. issuable 54,000 shs. forthwith & balance in 15,000 share lots at 30-day intervals NO. 109 (JUNE 7, 1972) + GEORGE CROSS NEWS LETTER LTD.

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(AREA CODE 604)

NO.117(1972)
JUNE 19,1972

George Cross News Letter
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RIGHT RESERVED
PUBLISHED DAILY
SUBSCRIPTION RATE
\$100.00 per year
NO.117(1972)
JUNE 19,1972

WESTERN CANADIAN INVESTMENTS

FOUR SEASONS MANUFACTURING LTD.

FURTHER ACQUISITION EXPANDS -- Most recent in the growing series of acquisitions of Four FARM EQUIPMENT COMPLEX Seasons Manufacturing Ltd., all in the farm machinery and equipment field has been announced by Nathan Saunders, president.

The acquisition is of all of the undertakings for manufacture and wholesale distribution of agricultural machinery carried on by Foremost International Industries Ltd. and under the name "Agratec" in western Canada and the United States. Terms of the acquisition have not been disclosed except that no appreciable dilution of shares of Four Seasons Manufacturing will occur as a result.

The agreement between Four Seasons Manufacturing and Foremost International Industries has been reached in principle and is subject to the consent of regulatory authorities.

Agratec manufactures short line farm equipment with the two largest sales items being frontend loaders and bail stokers. The firm is in the business of wholesaler of shortline equipment and works through 75 to 80 retailers in Saskatchewan.

Since the first of the year Four Seasons Manufacturing Ltd. has reported acquisition of Renn-Cupit Industries Limited, which is also in the business of manufacturing shortline farm equipment and Renn Sales which wholesales the shortline farm machinery. Other acquisitions have been: B.R. Steel Fabricators Ltd., of Calgary, which is in the business of making bins and steel boxes plus grain conveying and handling equipment; and East Kootenay Steel Fabricators Ltd., a custom welding operation at Fernie.

Prior to the acquisition of Foremost International Industries Ltd., it was estimated that the total sales, on an annual basis, of all of the companies in the Four Seasons Manufacturing chain would be in the range of \$9,000,000 to \$9,500,000. It is now estimated that the Foremost International Industries acquisition will add between \$1,500,000 and \$2,500,000 to total annual sales to bring the new total to in the \$11,000,000 to \$11,500,000 range.

Further acquisitions are now under active negotiation which, if successfully completed, will add further to the sale potential of the organization.

COMET INDUSTRIES LTD.

DRILL TEST STARTED IN CONJUNCTION -- Comet Industries Ltd. has held some 120 claims 8 miles WITH LISTING AND LARGE UNDERWRITING west of Kamloops, B.C., for the past fifteen years. The claims are adjoining the east of the Afton property. The property has been under active exploration since late last year after Afton made its discovery. Work to date has been intensive geological mapping, geophysical survey work and limited drilling.

Comet Industries Ltd. shares were called for trading on the Mining Section of the Vancouver Stock Exchange at the opening 16 June 72, under the symbol CMU. Of the 5,000,000 shares without par value authorized, 1,872,000 are issued, including 806,857 in escrow.

At the listing Jones, Gable & Company Limited underwrote 100,000 treasury shares at \$6.50 per share placing \$650,000 in the company treasury and bringing the issued shares to 1,972,000. The shares of the company are out of primary distribution.

The geophysical work located a large geophysical target, a portion of which continues onto the property of Davenport Oil & Mining Ltd. which adjoins to the east the Comet property. A series of holes on the Davenport property in recent weeks has given preliminary encouraging results with detail assays expected in the near future. The first hole to test a portion of the area on the Comet property, giving the better reading started June 16, 1972. This hole is with a rotary machine and is about 1,000 feet west of the closest Davenport hole.

FOR THE RECORD

Joy Mining Limited has purchased by 16 May 72 agreements surface rights to some 26 acres in the Kamloops area from Tonquin Holdings Ltd. for 200,000 treasury shares issuable 50,000

NEW DENVER EXPLORATIONS LTD.

Corporate Structure

Inc.: 13Nov67; as "New Denver Silver Mines Ltd."; name changed 21Dec70; public 13Dec71.
 Head Off.: 403-717 W.Pender St., Vancouver.
 Reg. Off.: 1700-777 Hornby St., Vancouver.
 T.A. & Reg.: Guaranty Trust Co. of Canada.
 Solicitor: George E.Scott.

Authorized Capital: 3,000,000 shs., 50¢ par.
 Shares Issued:

X For property, escrowed BCSC	750,000
For \$19,958 cash	199,500
Outstanding, 31Aug71 & 15Dec71	949,500
Offered, 15Dec71	250,000
To be outstanding if all sold	1,199,500

X Inc. 60,000 shs. held in trust for gifting back to company.

Financial Position: Spent to 31Aug71 was \$23,944, resulting in working capital deficiency of \$3,986.

Public Share Offering: By prospectus, 15Dec71, registered BCSC, 20Dec71, the company offers 250,000 shs. at 40¢ per share subject to 10¢ per share commission to net if all sold, \$75,000.

Directors: Shane S.Chambers, Vancouver, pres.; E.A.Little, Vancouver, sec'y; Daye D.Ladner, Burnaby.

Promoters: The directors.

SILVER-LEAD-ZINC OCCURRENCE IN SLOCAN TO BE TESTED AT DEPTH

Investigation is planned at depth by New Denver Explorations Ltd. of a high-grade silver-lead-zinc occurrence at the Mountain Chief property 2 miles east of New Denver, Slocan Mining Division of British Columbia.

In a report, 30Sep71, Alfred R.Allen, P.Eng., says high-grade ore was shipped from the property from 1892 to 1897. However, the heavy zinc content precluded profitable operation during the ensuing years and in 1926 leasers shipped concentrate after jiggging the stope-fill. In his summary the consultant points out that because the operation prior to 1900 was uneconomic the lower tunnel at the property was halted after reaching past the midway point to the ore zone and no ore was stoped below the upper tunnel level. He notes that this type of ore presents no problems in a modern concentrator.

He recommends that the lower tunnel be extended 200 ft. and crosscut where necessary to prospect the downward extension of the mineralized zone, an estimated 300 ft. of lateral work, estimated to cost \$30,000. A further \$15,000 is recommended to connect the lower and upper tunnels with a raise and between levels to extend short drifts

across the mineralized zone, requiring about

180 ft. of raise and 50 ft. of crosscut. Including \$5,000 for office overhead and supervision and \$5,000 for contingencies, he estimates total costs at \$55,000.

The property includes 2 Crown granted claims known as the Mountain Chief No.2 & the Mammoth acquired by June, 1968 agt.for the sum of \$250,000 of which \$10,000 has been paid. Balance is payable \$5,000 by 1Nov yearly until fully paid. If commercial production results, the amounts payable are to be 10% of net smelter returns or \$5,000 whichever is the greater until the full price has been paid.

In addition to the 2 Crown granted claims the company acquired 10 contiguous and surrounding recorded mineral claims from E.A.Little in consideration of 750,000 escrowed shs. which have been allotted in amounts greater than 5% as follows: 211,667 shs. each to S.S.Chambers, E.A.Little and E.Fisher Corp. Ltd. and 50,000 shs. to Patrick Gouthro.

HIGHLAND LODE MINES LTD.

TONNAGE CALCULATION FROM - Drilling results from No.3 zone on the Highland Lode Mines Ltd. BETTER GRADE SECTION property, 15 miles northwest of Merritt, B.C., have strongly indicated a continuous orebody of copper-lead and zinc with minor values of silver. Exploratory work by way of deep diamond drill holes, have resulted in calculated tonnage from this section alone of 285,000 tons grading over \$20.00 per ton. Between 55,000 to 60,000 tons of higher grade material could be mined by open pit.

The present zone is on a small portion of the large property. The drilled out ore is within the total of 51 million tons of inferred ore as compiled in the report dated July 1970.

Report on No.2 zone, approximately 1 mile northeast of No.3 zone, will be available in a few weeks. Drill cores from the No.2 zone have shown higher grades than those in No.2 zone.

A.Chunick, managing director of Highland Lode, has reported that an early resumption of exploration is planned along with additional financing.

B.C. COMPANIES ACT

NEW INCORPORATIONS:

Canyon Valley Mining Corp. Ltd., Caplice Copper Corp. Ltd., and Llewellyn Mining Co. Ltd. were all incorporated 30Dec71, with registered offices at 308-540 Burrard St., Vancouver, and auth.cap. of 1,000,000 shares of \$1.00 par value each.

Cobre Exploration Limited-28Dec71, registered office is 14th Floor, 1030 W.Georgia St., Vancouver, and authorized capital is 10,000 no par value shares.

Coynex Development Ltd.-22Dec71, registered office is 9th Floor, 475 Howe St., Vancouver, and authorized capital is 5,000,000 shares of 50¢ par value.

Hitax Mines Ltd.-23Dec71, registered office is 901-900 W.Hastings St., Vancouver, and authorized capital is 20,000 shares of 50¢ par value.

Initial Developers Corporation Limited-3Jan72, registered office is 1710-1177 W.Hastings St., Vancouver, and authorized capital is 3,000,000 shs. of 50¢ par value.

Lehto Resources Ltd.-3Jan72, registered office is 502-900 W.Pender St., Vancouver, and authorized capital is 5,000,000 no par value shares.

Mount Currie Mining and Milling Company Limited-Oct.15/71, registered office is 100-1066 Seymour St., Vancouver, and auth.cap. is 20,000 common shs. of \$1.00 par value.

Trans-Gulf Resources Ltd.-28Dec71, registered office is 15240 Thrift Avenue, White Rock, B.C., and authorized capital is 3,000,000 no par value shares.

Westridge Mining Company Ltd.-23Dec71, registered office is 45-553 Granville St., Vancouver, and auth.cap. is 3,000,000 shs. of 50¢ par value.