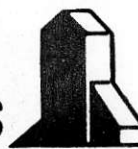


Report from Vancouver

Carolyn in court on cyanide charges

By David Duval



Carolyn Mines faces 14 charges under the Federal Fisheries Act and seven under the Pollution Control Act of B.C. for discharging untreated cyanide effluent into the Coquihalla River near its Hope, B.C. gold mine.

Industry sources believe the company may have a major problem on its hands because of high snow levels and a massive runoff into the tailings area which now holds about 45 million gallons of treated effluent.

Just recently the environment ministry granted Carolyn a permit to discharge 300 gallons per minute of treated effluent from the dam. The move was designed to take pressure off the structure which at one point was believed in danger of collapsing.

Spokesperson, Kelly Francis, from the BC environment ministry, told the Northern Miner the approval enables Carolyn to increase the discharge to 400 gallons per minute.

She noted the discharge was not toxic since it would be treated and neutralized. As a precautionary measure, however, the river has been closed for drinking. The permit, which is good for 30 days, could be extended if the situation warrants, reports Ms. Francis. At presstime no tailings from the mill were going into the dam and the mill was shut down. And sources conclude the situation will probably remain this way until the effluent level in the tailings dam has dropped and the danger of collapse is eliminated.

Unusually high snow levels have played havoc with the operation this year and the ministry reports there is still about 10 ft. of snow behind the tailings dam. This has been aggravated further by rainfall and both the company and the ministry are hoping for a more gradual runoff in the next few weeks.

The first court appearance for

Carolyn is May 18, 1982 and officials of the company have been reluctant to talk to the media including The Northern Miner since the problem cropped up.

Eaglet Mines reports that exploration drilling last year over a considerable area on its Quesnel Lake fluorspar prospect showed an enriched zone adjacent to the footwall or lower contact of the mineralized granite gneiss, the predominant structure on the property.

Out of seven holes completed late in the season, six intersected this enriched zone and the average true width over 78,740 sq. ft. was 60.7 ft. indicating a content of 1.3 million metric tons with an average fluorspar content of 12%.

Eaglet President Andrew Robertson contends the material is definitely economic at current world prices being paid for fluorspar.

Additional exploration holes will be drilled to test the large area of "potential mineralized formation within our claim boundaries," says Mr. Robertson.

The company is well financed for the 1982 exploration program with a working capital of over \$1.2 million.

Fluorspar, a mineral, has applications in the chemical and aluminum industries.

Granduc Mines, reports net earnings of \$338,985 (7¢ per share) for the year ended Dec. 31, 1981. The net earnings figure in the previous year was \$165,426 (2¢ per share).

While royalty income was identical with 1980, higher interest income and a gain on the sale of securities contributed to the improved earnings.

Brican Resources says that Ventures West Minerals has defaulted on payments regarding its option on Brican's 18% interest in the Santa Fe

joint venture. Should Ventures exercise the option the interest would revert back to Brican.

Regional Resources has approved a take-over offer for all the outstanding shares of **Logtung Resource** the basis of one Regional Class common share for one Logtung share.

Summit '81 drilling doubles proven gas

CALGARY — by participating in low- to medium-risk plays, **Sun Resources** (ASE) doubled its proven gas reserves during 1981 and greatly expanded its asset and cash base, says the company's annual report.

At year end, Dec. 31, Summit natural gas reserves of 12 billion ft. and established oil reserve 450,000 bbl.

The increase was accomplished through the company's participation in 26 wells, resulting in 20 gas and three oil wells. In addition Czar/Summit joint venture drilled further six wells which produced five natural gas discoveries. Summit's interest in the joint venture 35%.

Maintaining that concentration positions stand a better chance of obtaining gas market, company increased its interest in the Craigmyle area of east-central Alberta to 17,500 acres. With a reserve exposure of 30 billion cu ft, Summit intends to actively seek market for gas from this reserve in 1983.

Last year marked the company's entrance into the U.S. oil and gas market with participation in six wells in Texas and Pennsylvania.

Summit reports net profit for 1981 of \$84,554 or 8¢ per share on sales of \$894,433, compared with \$102,210 or 10¢ per share or sales of \$557,490 the previous

**GREATER SAFETY.
HIGHER PRODUCTIVITY.
LONGER ROD LIFE.
MORE EFFICIENT BIT USAGE.**