

# The PROFIT Letter

THE NEWSLETTER ABOUT PUBLIC COMPANIES ON THE VANCOUVER STOCK EXCHANGE

## Antelope Resources Inc. Gold Exploration

Symbol: ATF (VSE)  
Last 12 Months: \$1.49 - 0.40  
Current Price: \$0.70  
Shares Outstanding: 5.02 million

### Antelope Shares Set To Leap

How much are Antelope shares really worth? Nothing – compared to what the may be in six months. With joint venture partner Bryndon Ventures Inc., Antelope will drill property near the famous Le Roi Mine. The 1989 drilling program may turn up nothing. But if this year's results match last year's, the company will announce a lot more ore – and maybe a mine.

So Antelope shares bought today should be **significantly more valuable** in six months time.

### King of Mines

The old Le Roi Mine operated for half a century until 1941. It was one of the most prolific gold producers in B.C. mining history. Le Roi produced three million ounces of gold between 1891 and 1941 from 6.2 million tons of ore grading 0.60 oz/ton gold. And that was with techniques considered primitive by modern exploration and mining technology.

The prospectors' adage of finding new mines near old mines could be true again in this quest.

### Hi-Grade Hi-Lites

The PROFIT Letter has acquired a copy of the G.M. Hogg and Associates' report on the Antelope property. The report states that in 1988 the company drilled about 30 holes on

one sector of the property and pulled core samples with values ranging up to **1.04 oz/ton gold**. In a sample from one of the deeper holes, the geologists at Hogg identified massive sulfides grading 0.4 oz/ton gold over 5.9 feet. Only additional drilling will disclose the extent of undiscovered reserves.

The report goes on to recommend a 1989 program estimated to cost \$2.864 million. That's a fair bit of money to spend. So you can bet the company is **expecting good results**.

### Partnership Power

Antelope earned its position in the properties through a joint venture agreement with Bryndon Ventures Inc. Bryndon, an Alberta Stock Exchange listed company, belongs to Bern Brynensen, the former head of mining exploration for giant Noranda Mines.

Brynensen learned about the property near Rossland, B.C. in his university days, back in the 1930's. One of his professors pumped him full of ideas about the Rossland region and the Le Roi mine.

*"We have a big piece of ground there and I have some theories on it; I like the geology and the potential,"* Brynensen says.

He started to acquire property in the region in 1947. The Antelope-Bryndon joint venture continues to buy more property, today. Some of the properties lie within 1000 feet of the Le Roi mine. Brynensen is hoping that he will indeed have another Le Roi find.

Antelope earned their share in the joint venture by spending \$500,000 over a two and one-half year period. They now hold 50% ownership and manage the properties, although registration of the claims remains in the name of Bryndon.



*Six Month  
Time Frame*

*Near  
Historic  
Gold  
Producer*

*Rich  
Samples*

## Exploration Currently Underway

### New Details

The 125 claims now cover more than 2000 acres. The properties are divided into two zones, the North Zone and the South Zone.

The North Zone West contains a mineral inventory of 18,589 tons grading 0.47 oz/ton gold. The North Belt East contains 51,810 tons grading 0.23 oz/ton gold.

On the South Belt mineralization is estimated at 38,176 tons at 0.57 oz/ton gold.

Thus far in drilling, the company has pulled holes up to grading of 1.04 oz/ton over 18.7 feet.

## Brynelsen Connection

### Other Properties

Antelope holds interest in properties near Vernon, B.C., Kamloops, and Trail. Exploration work is planned on some or all properties this year.

### Speculative, High Percentage Play

Antelope doesn't have a mine, yet. That's good news and bad. It means that investment in the company is speculative and high risk.

Yet in our assessment the company is here for the long term. In addition, their association with Bryndon lends a lot of credibility. Bern Brynelsen wants to see a mine. He's 78 years old and this may be his last project. He wants to go out big.

Brynelsen has been associated with some major successes - Asamera,

Breakwater, Viceroy and Noranda. The Le Roi area has good history and Brynelsen has been acquiring property there for forty years.

Looking to last year's good drill results and the size of this year's program we feel comfortable with Antelope, even in respect of the high level of risk. We look for positive drill results this summer.

### Summary and Recommendation

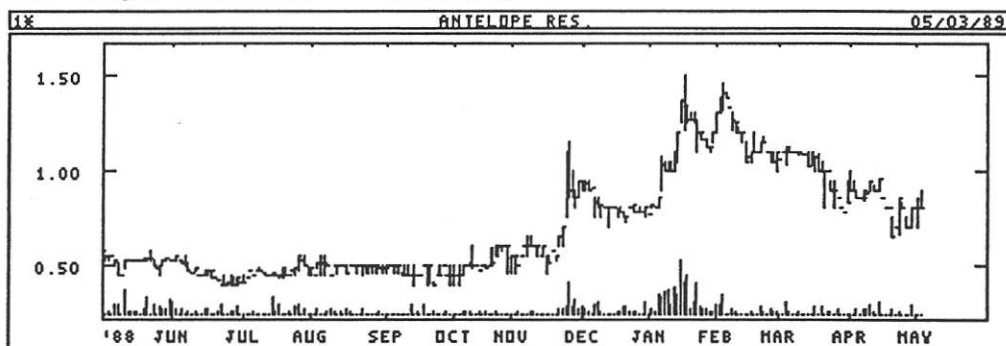
Antelope's joint venture operation near the old Le Roi Mine in Rossland B.C. represents a major opportunity for the company. With mineral inventories already shaping up and more drilling going on we look for positive price action in the shares over the next three to six months.

Until more drill results are announced, the share prices are dependant on gold prices and the VSE market trend. Both have been sluggish.

However, it's when purchasers are disenchanted that the best buys are made. Now is an ideal time for contrarians to be fully invested. Buy Antelope Resources Inc. for a move to the \$1.50 range by October. Take short-term profits in the \$1.25 to 1.30 range.

Longer term price levels will depend on implementation of a positive production decision after additional drilling results and a feasibility report. **BUY**

## Major Move Depends on Gold



The PROFITLetter is published by:  
Legacy Communications Inc.,  
501 - 518 Beatty Street,  
Vancouver, B.C., Canada V6B 2L3

©1989

Editor

Tom Kinakin

Contributing Editors

Blake Desaulniers  
Fraser Rawlinson

### American Subscriptions

The PROFITLetter  
U.S. Subscribers' Department  
10020-A Main Street, Suite 104  
Bellevue, Washington, USA 98004-9602  
24 Issues: U.S.\$125.00 1-800-663-8541

### Canadian Subscriptions

The PROFITLetter  
Canadian Subscribers' Department  
501 - 518 Beatty Street  
Vancouver, B.C., Can. V6B 2L3  
24 Issues: Cdn\$150.00 1-604-682-4434



## NEWS RELEASE

July 25, 1988

Trading Symbol: ATF

Mr. David G. Mark, Director of ANTELOPE RESOURCES LIMITED (the "Company"), announces that the following assay results from its on-going exploratory drilling program being conducted on its properties in Rossland, British Columbia, have been received from Bondar-Clegg:

| <u>Hole No.</u> | <u>Mineralized Interval (ft)</u> | <u>Apparent Thickness (ft)</u> | <u>Oz/Au</u> |
|-----------------|----------------------------------|--------------------------------|--------------|
| 88-17           | 785.8 - 790.1                    | 4.3                            | 0.138        |
| 88-18           | 481.6 - 500.3                    | 18.7                           | 0.978        |

Which is divided into the following intervals.

|               |     |       |
|---------------|-----|-------|
| 481.6 - 483.6 | 2.0 | 0.449 |
| 483.6 - 486.9 | 3.3 | 2.846 |
| 486.9 - 489.8 | 2.9 | 0.976 |
| 489.8 - 491.8 | 2.0 | 0.298 |
| 491.8 - 494.4 | 2.6 | 0.954 |
| 494.4 - 496.7 | 2.3 | 0.288 |
| 496.7 - 500.3 | 3.6 | 0.398 |

The Rossland properties are held on a 50/50 joint venture basis by the Company and Bryndon Ventures, Inc. The Company is the manager of this project.

In addition to the current exploratory drilling program, a follow up drilling program is planned.

ON BEHALF OF THE BOARD

DAVID G. MARK, Director

The Vancouver Stock Exchange has neither approved nor disapproved the information contained herein.



## NEWS RELEASE

November 23, 1988

Trading Symbol: ATF

The company is please to release assay data for the following diamond drill holes from their ongoing drill program in Rossland.

### SOUTH BELT

| <u>Hole #</u> | <u>From</u>    | <u>To</u>       | <u>Thickness in<br/>Metres (ft)</u> | <u>Oz Gold/ton</u> |
|---------------|----------------|-----------------|-------------------------------------|--------------------|
| 88-36         | 197.1 (646.7') | 199.1 (653.26') | 2.0 (6.56')                         | 0.80               |

This intersection is located approximately 25 metres below the mineralized section in hole 88 - 18 which assayed 1.05 ounces per ton over 5.7 meters (18.7 feet).

### NORTH BELT

| <u>Hole #</u> | <u>From</u>    | <u>To</u>       | <u>Thickness in<br/>Metres (ft)</u> | <u>Oz Gold/ton</u> |
|---------------|----------------|-----------------|-------------------------------------|--------------------|
| 88-28         | 19.5 (64')     | 21.2 (69.6')    | 1.7 (5.6')                          | 0.25               |
| 88-29         | 5.1 (16.7')    | 6.0 (19.6')     | 0.9 (2.9')                          | 0.13               |
| 88-35         | 31.18 (102.3') | 32.85 (107.78') | 1.67 (5.48')                        | 0.63               |
| 88-31         | 23.9 (78.4')   | 29.0 (95.1')    | 5.1 (16.7')                         | 0.56               |
| 88-37         | 37.3 (122.4')  | 41.72 (136.9')  | 4.42 (14.5')                        | 1.04               |

Much additional drilling will be required to assess the economic significance of these results.

The Rossland properties are held under the terms of a joint venture agreement with Bryndon Ventures, Inc. Antelope is the operator of the joint venture.

ON BEHALF OF THE BOARD

---

Frank Fowler, Manager of Exploration  
for Christian von Hessert, President

The Vancouver Stock Exchange has neither approved nor disapproved the information contained herein.



January 17, 1989

Trading Symbol: ATF

## NEWS RELEASE

Antelope Resources Limited is pleased to release the following data from its ongoing exploration program in Rossland, BC.

Exploration on the Rossland property has reached a stage where it is possible to calculate a drill indicated mineral inventory on three separate zones of mineralization, two of which are located in the North Belt and one of which is located in the South Belt. All zones of mineralization are open to extension along strike and with depth. Results are as follows:

### North Belt West

|             |              |                     |
|-------------|--------------|---------------------|
| <u>Tons</u> | <u>Grade</u> | <u>Ounces of Au</u> |
| 18,589      | 0.47         | 8,692               |

### North Belt East

|             |              |                     |
|-------------|--------------|---------------------|
| <u>Tons</u> | <u>Grade</u> | <u>Ounces of Au</u> |
| 51,810      | 0.23         | 11,746              |

Both mineralized zones in the North Belt are accessible by existing underground workings. Mineralization in the North Belt West Zone has been defined by surface drilling; tonnages in the North East Zone have been calculated from underground drilling completed by previous owners.

### South Belt - New North Zone

|             |              |                     |
|-------------|--------------|---------------------|
| <u>Tons</u> | <u>Grade</u> | <u>Ounces of Au</u> |
| 38,176      | 0.57         | 21,634              |

Mineralization in the South Belt has been estimated from surface drilling. Construction of a spiral ramp or shaft would be required for proving ore in this area. Considerable additional drilling in the South Belt will be necessary before the Company proceeds with an underground program.

The Company is continuing its exploration program in Rossland with Bryndon Ventures, its joint venture partner. The Joint Venture plans to invest an additional \$1,000,000 in surface drilling in 1989.

ON BEHALF OF THE BOARD OF DIRECTORS

Christian von Hessert, President

The Vancouver Stock Exchange has neither approved nor disapproved the information contained herein.



## NEWS RELEASE

March 21, 1989

Trading Symbol: ATF

UP DATED  
NORTH BELT DRILL RESULTS FROM ROSSLAND

Antelope Resources Inc. commenced drilling on its North Belt group of claims located in the Rossland Gold Camp, Rossland, British Columbia on September 2nd of 1988. Since that time, the Company has completed 45 holes totalling 17,300 feet drilled on a single gold bearing zone which at present has been proven to extend along strike for 800 feet and is still open. All holes drilled to date have been shallow and have tested only the first 300 feet from surface.

Results are as follows:

Holes previously reported by Antelope

| Hole Number | Mineralized Interval (ft.) | Intersection (ft.) | Au Oz./Ton |
|-------------|----------------------------|--------------------|------------|
| 88-28       | 64.0 - 69.6                | 5.6                | 0.25       |
| 88-29       | 16.7 - 19.6                | 2.9                | 0.13       |
| 88-35       | 102.3 - 107.78             | 5.48               | 0.63       |
| 88-31       | 78.4 - 95.1                | 16.7               | 0.56       |
| 88-37       | 122.4 - 136.9              | 14.5               | 1.04       |

Holes not previously reported by Antelope but included in the calculation of mineral inventory estimates released January 17, 1989

| Hole Number | Mineralized Interval (ft.) | Intersection (ft.) | Au Oz./Ton |
|-------------|----------------------------|--------------------|------------|
| 88-41       | 132.2 - 145.0              | 12.8               | 0.30       |
| 88-45       | 28.1 - 44.0                | 15.9               | 0.29       |
| 88-53       | 94.2 - 110.6               | 16.4               | 0.25       |

Holes not previously released or included in previous mineral inventory estimates

| Hole Number | Mineralized Interval (ft.) | Intersection (ft.) | Au Oz./Ton |
|-------------|----------------------------|--------------------|------------|
| 88-59       | 92.7 - 93.3                | 0.6                | 0.92       |
| 88-62       | 176.1 - 178.2              | 2.1                | 0.13       |

| Hole Number   | Mineralized Interval (ft.) | Intersection (ft.) | Au Oz./Ton |
|---------------|----------------------------|--------------------|------------|
| 88-62 cont'd  |                            |                    |            |
| 183.7 - 184.4 | 0.7                        |                    | 0.17       |
| 186.2 - 186.7 | 0.5                        |                    | 0.25       |
| 205.7 - 208.8 | 3.1                        |                    | 0.13       |
| 88-63         |                            |                    |            |
| 208.7 - 209.7 | 1.0                        |                    | 0.13       |
| 214.2 - 214.9 | 0.7                        |                    | 0.22       |
| 88-71         | 386.3 - 392.2              | 5.9                | 0.40       |
| 88-78         | 157.6 - 165.0              | 7.4                | 0.12       |
| 88-79         |                            |                    |            |
| 93.5 - 95.1   | 1.6                        |                    | 0.69       |
| 217.5 - 226.0 | 8.5                        |                    | 0.10       |
| 88-80         |                            |                    |            |
| 282.3 - 289.4 | 7.1                        |                    | 0.11       |
| 296.4 - 301.5 | 5.1                        |                    | 0.10       |

No assay figures less than 0.10 ounces of gold have been reported in this table. Nevertheless, all holes drilled which have not been interrupted by late stage cross-cutting dykes have returned a mineralized interval.

A mineral inventory calculated from this data yields 12,250.5 ounces of gold contained in 28,140.9 tonnes grading 0.44 ounces per tonne. This figure represents an increase of 28% over figures reported in January, 1989.

Additional to this tabulation are 21 holes for which assay results are pending. Assaying usually requires approximately three weeks.

The North Belt area in which Antelope is continuing to drill was previously mined to approximately 250 feet both in 1907 - 1908 and 1932 - 1941. Records indicate 1,806 ounces were extracted from 2,859 tons. Historical records also indicate that a limited amount of ore was recovered in this area from stopes averaging 80 ounces per ton.

ON BEHALF OF THE BOARD

---

Christian von Hessert, President

The Vancouver Stock Exchange has neither approved nor disapproved the information contained herein.



## NEWS RELEASE

April 18, 1989

The Company is pleased to announce that a brokered private placement of up to 500,000 common shares at a price of \$0.75 per share has been negotiated, for general working capital requirements. Canarim Investment Corporation Ltd. has been appointed the agent for the offering and will receive a commission of 5% of the gross proceeds.

ON BEHALF OF THE COMPANY

David G. Mark, Director

The Vancouver, Stock Exchange has neither approved nor disapproved of the information contained herein.



MINING LEGEND CONVINCED BIG STRIKE IS NEAR

Gold rush fever

A telephone call that's waited 40 years to be made came to my desk during the week.

On the line was Bern Brynelsen — at 78 years old, a legend in his own time in Canadian mining circles.

There was a trace of excitement in his voice despite his efforts to shrug it off as a touch of the cold.

After all, what could excite Canada's quintessential prospector after 59 years in the business.

But no matter what your age — GOLD will do it every time.

Brynelsen has the "fever" again, but the symptoms are different this time.

He's convinced he's close to realizing the dream he's harbored for more than four decades.

RON STEWART

Business Editor



Brynelsen could never accept that the famous Le Roi Mine in B.C., which churned out three-million ounces of gold and a similar amount of silver worth a total of \$2 billion at today's prices, was a one-off motherlode.

"I've always believed there was at least another, maybe several, waiting to be discovered in the area," he said.

That's why over the last 40 years he's quietly accumulated over 107 claims in the vicinity of the gold-rich mine.

LeRoi is on the Rossland Mineral Belt of southeastern B.C. and was one of Canada's richest during its 50-year life to 1941.

It belonged to Consolidated Mining & Smelting which was the beginning of Cominco Ltd.

And these guys pretty well had the land tied up in the area and weren't letting it go.

After the big action died at Rossland, Brynelsen was working for a company called Quebec Gold Mining which held options on 49 claims within two miles of Le Roi.

When the company decided it didn't have the money to develop them, Brynelsen and a partner jumped in and took over the options and payments on a personal basis.

The dream was born. It had already been partly inspired by his professor at University of British Columbia who had been an engineer at Le Roi.

"We graduated having lived with that mine," he says. Brynelsen was able to raise a little money and did some preliminary drilling on the Rossland property.

"We didn't have sophisticated equipment back then, but it was still my theory that there were other deposits. We hung onto those claims," he said.

Quebec was taken over by Noranda in 1948 and Brynelsen became Noranda's top man in Western Canada.

The relationship lasted well over 35 years during which time he either brought in or was associated with 11 successful mines, including the enormously cash-rich copper molybdenum Brenda Mine in the Okanagan.

But all the time, at the back of his mind was Rossland as he quietly acquired additional properties whenever they came up.

Today, Brynelsen and his Calgary-based Bryndon Ventures Inc., which trades on the Alberta Stock Exchange, enjoys a healthy cash flow from oil and gas interests in the province.

But finally this, and a joint venture partner, Antelope Resources, has allowed him to follow his dream — albeit more than half a lifetime later.

And it's the recent drill samples from the properties that has fired his emotions anew.

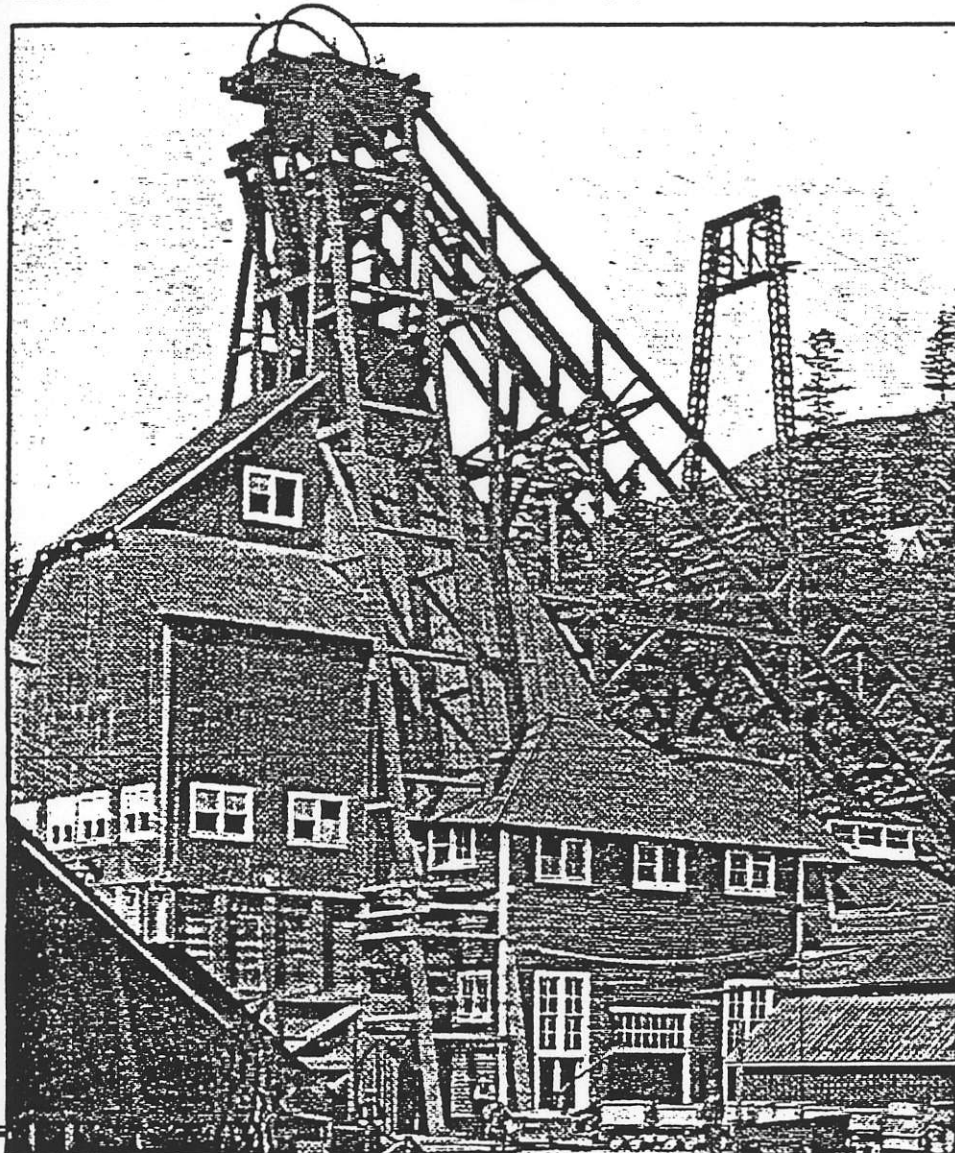
"We haven't proven it yet — but we have had some really nice assays," says Brynelsen, who hopes he's on the verge of discovering another Le Roi.

He says the mineralization is very similar and assays from one hole indicated a 14.5 ft. section with over an ounce of gold per ton.

"I'd really like to bring this one in," he said quietly before the telephone clicked and the line went dead.



BERN BRYNELSEN ... close to dream



rossland historical museum picture

Hauling in a fortune

Miner Bern Brynelsen believes he's struck it rich in the famous Rossland Mineral Belt in southeastern B.C. The Centre-Star Mine, left, is another of Rossland's gold-rich discoveries.

# NORTH WEST PROSPECTOR

## MINERS AND DEVELOPERS BULLETIN

January / February 1989

U.S. \$5.00 CAN. \$6.00

## Coin Lake Gold Mines and Antelope Resources: Christian von Hessert Mixes Mining And History

By Frank Kaplan

An interest in the eons of history of rocks and the much shorter history of man can, in combination, help develop North American mineral resources.

Christian von Hessert, 47, is well-known in Canadian mining for his professional skill as a consulting geologist and professional engineer.

But it is not generally known that Chris completed the equivalent of a Bachelor's degree in history at Columbia University before switching to science.

When this combination of mining and history is mixed by von Hessert, gold projects of special merit are the result.



Christian von Hessert

Two stand out as instances where his interest in history provided the impetus for gold exploration.

The historical time frame is the turn of the century when waves of gold seekers rolled from one new mining camp after another to push back North American frontiers.

The places, the events and the players have become source material for fiction, movies and other entertainment that even today continue to stir excitement in the younger generations.

General Custer, Wild Bill Hickock and his girl friend, Calamity Jane, the Dead Man's Hand (the poker hand held by Hickock when he was shot in the back), Deadwood - these are remembered in a song and story in the United States. All are from the early history of one of the world's great gold camps, the Black Hills in South Dakota.

The famous Homestake mine, foundation of the Hearst family fortune is still producing after taking out more than 35 million ounces from the Black Hills area. The late newspaper magnate William Randolph Hearst built his fortune from the inherited wealth of Homestake gold and became even

more famous when Orson Wells satirized him in the film classic, 'Citizen Kane'.

In early days of the Black Hills camp, the Golden Reward Property was second only to the Homestake, producing 1,340,000 ounces from 1888 to 1918.

The combination of that history and a known gold area was difficult to resist and in 1985 von Hessert played a key role in assembling a venture that today is well on the road to production.

Golden Reward Mining Company is a name from the past for a gold development that incorporates the latest in mining technology. The Golden Reward joint venture brings together Canadian, Australian and U.S. interests. The Canadian participant is Coin Lake Gold Mines Ltd., a Toronto Stock Exchange listed company. Chris von Hessert is a Coin Lake vice-president.

Where the old Golden Reward had underground operations, the modern Golden Reward is open pit mining with heap-leaching recovery on an asphalt, compartmentalized, re-useable pad.

This is a \$20 million project with production startup expected early in 1989. Annual production is planned at 65,000 ounces of gold and 50,000 ounces silver.

The initial reserve base at Golden Reward was reported at a mineable 8,264,000 tons averaging 0.045 oz. from a geologic, measured and indicated 15,266,000 tons averaging 0.048 oz/ton gold and 0.203 oz/ton silver.

With Golden Reward well launched towards production, in 1987 von Hessert's historian's eye turned to an area that played an important part in the opening of the Canadian far west. His objective became what today is known as the Rossland area, on the U.S.-Canadian border first opened in 1865 by a trail to provide access from the State of Washington into the East Kootenay gold camps.

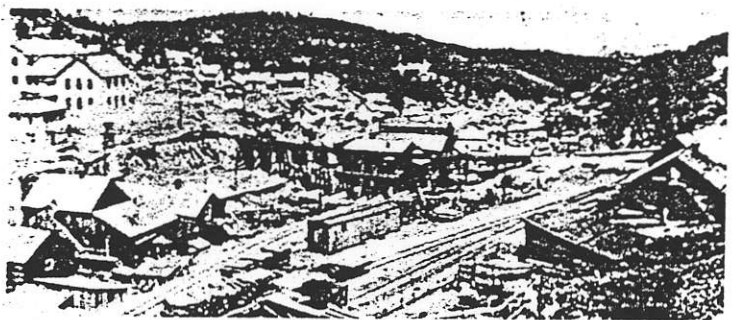
In 1890, Rossland became a gold camp with the discovery of what eventually was known as the Le Roi, a rich group of producers of 3 million oz gold and 3 million oz silver from only 6.2 million tons of ore. The mine produced from 1890 to 1928 and became part of what is today's giant Cominco organization in 1912. It was leased during the depression and operated briefly before shutting down in 1941.

Today the Rossland area is better known for its skiing with more than 300 inches of snow falling per year. The first Canadian Downhill Skiing championship was held at Rossland in 1897.

The Rossland gold story is the stuff of the wild west. It includes a classic incident where the camp was totally rejected as worthless by 'consultants' sent by San Francisco investors. A famous mining wheeler-dealer of the turn of the century, August



1,340,000 ounces of gold came from the Golden Reward between 1888 and 1918.



Wild Bill Hickock and Calamity Jane passed through the Black Hills gold camp.

Heinze, played a role and a fight for control of the camp and the Le Roi that differed significantly from today's big battles in the courtroom. Actions were more direct, involving: theft of the corporate seal, commandeering a train and an attempted holdup at gunpoint of the train's engineer.

As for the stock market speculation, Rossland was a British market play and the price of Le Roi jumped from 50 cents a share to \$40, an enormous amount for those days. When the inevitable speculative collapse occurred, a large company failed and its principal committed suicide.

The stock exchange established at Rossland at that time is considered a forerunner of the Toronto Stock Exchange.

This history is outlined by von Hessert in the annual report of Antelope Resources Limited, a Vancouver Stock Exchange listing. von Hessert is Antelope's President and Chief Executive Officer.

Antelope's gold projects include a 50% joint venture interest with Bryndon Ventures Inc. in about 1,750 acres, an area second only to Cominco's interests which re-

tains the Le Roi properties. On Antelope-Bryndon ground, the joint venture partners have been carrying out detailed exploration following on earlier drilling which established the presence of gold mineralization over mineable widths in a geological setting similar to the Le Roi.

In a late November press release Antelope announced favourable assay results from their ongoing drill program. These included a 6.5 ft of 0.80 oz/ton gold from hole 36 in the property's south belt, and results ranging from 29 ft of 0.13 oz/ton gold to 14.5 ft of 1.04 oz/ton gold from holes in the north belt.

In the Antelope Resources annual report, von Hessert expresses his historian/mining professional approach to exploration this way:

"It is our objective to acquire and develop properties of significant merit, particularly those with known reserves, located in mining districts with demonstrated gold production. It is in such established territories that we foresee the greatest opportunity for located and exploiting a commercial mine today."



# TRAIL DAILY TIMES

TRAIL, B.C. — WEDNESDAY, FEBRUARY 1, 1989

## The LeRoi sleeper is awakened

*"Rosland bloomed during that spring of 1893. The jerrybuilt, muddy collection of shacks that passed for the business section, was a byword in many strange parts. Flamboyant and roistering, and as primitive as only a new frontier camp can be, Sourdough Alley grew in one year from a huddle of frame buildings to a street of modest proportions and immodest pretensions.*

*"Gold was the catalyst."*

By LYNN BLANCHARD  
Times Staff

Exploration and drilling is quietly taking place almost a century after one of Canada's most famous and productive properties—the LeRoi mine—started to churn out ore that would yield three million ounces of gold. The catalyst behind the current exploration is a 78-year-old mining engineer who, for over 40 years, has had a gut feeling about the LeRoi property.

Bern Brynelsen never believed the LeRoi was a one-off motherlode. Despite his busy 35-year tenure as Noranda's top man in Western Canada, Brynelsen never forgot the LeRoi—whenever he could he acquired more claims, starting in 1941 when he and his partner took over the options on 49 claims within two miles of the LeRoi.

Today, Brynelsen's Bryndon Ventures and joint venture partner Antelope Resources estimate the drill-indicated gold inventory at 42,000 ounces—worth approximately \$21 million. The area claims, which cover more than 2,000 acres, now total 125.

Pretty good for a guy who wouldn't give up. Pretty good for Rosland and Greater Trail, too.

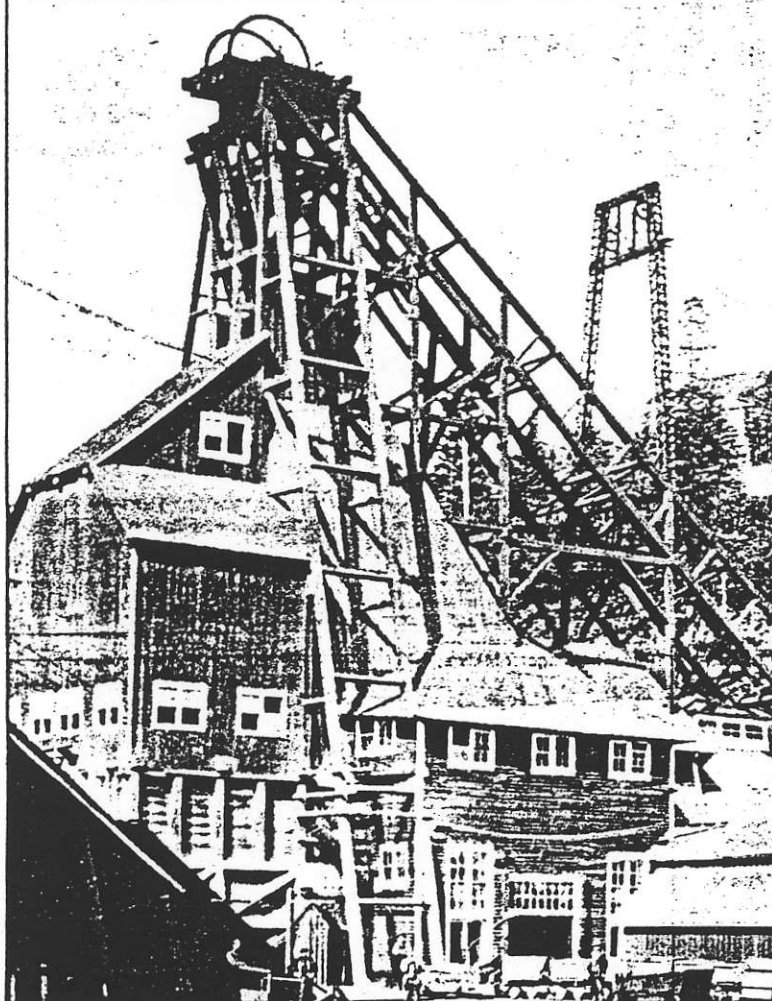
"I'm hoping for another LeRoi," Brynelsen said in an interview from his Vancouver home this week. "I have a lot of faith and the results are very encouraging."

Brynelsen said drilling and exploration will continue throughout the year. Once complete, underground development will begin before any production can start.

The Bryndon-Antelope venture is backed with first-rate funding. "We have no trouble," Brynelsen explained. Aside from his numerous appointments to boards of directors (including Noranda), Brynelsen's Calgary-based Bryndon Ventures enjoys a healthy cash flow from oil and gas interests in that province. And, as both Bryndon and Antelope are known in the mining industry as reputable businesses, one of the mining proverbs comes into play: "it's not the project you watch but the people behind it."

"The LeRoi is my pet project," Brynelsen explained. "My professor at university saturated us with Rosland—it sticks with you and that's why our group hung on to those claims."

If the wait seems unreasonable Brynelsen added that mining techniques



The Centre Star mine of Rosland in its heyday. The LeRoi later became known as what was made up of several claims: the Centre Star, War Eagle, Le Roi and Josie.

of 40 years ago were not as sophisticated as they are today. In addition to any hesitation he may have had, Brynelsen at the time was also busy nosing around mining properties: he brought in or was associated with 11 successful mines, including the enormously cash-rich copper molybdenum Brenda Mine in the Okanagan.

Paul Godine, Director of Investor Relations for the Vancouver-based S. Garstad Business Services, echoed Brynelsen's excitement.

"Nobody knows what reserves are there, but it's going to be getting better," Godine said of the 42,000-ounce reserve estimate. "We're in at the ground floor of this now and as for the Rosslund area, it's going to have a real bottom line effect.

"This area was so enormous for gold production—we could see a revival of the Rosslund Camp," Godine said.

But the success story is not only of Brynelsen's luck and perseverance but of the man himself. At 78, Brynelsen hasn't slowed his business pace and his 60 years in the industry have refined and honed a talent for mining. Brynelsen agrees, "I was bitten by the bug a long time ago."

And most have nothing but praise for the affable wizard of mines. Bill Vance grew up in Sunningdale and is now a broker with Union Securities in Vancouver. Vance talked of Brynelsen affectionately: "he reminds me of my Dad a lot. Bern's an amazing fellow, he's very jolly and has a world of knowledge."

Vance recalled accounts of Brynelsen "scouring Western Canada in mining" and praised the man whose "career is pretty well unparalleled." As a native of Trail Vance added, "I'd like nothing better than to see the community grow again."

Bryndon-Antelope injected approximately \$1-million for exploration and drilling into the Rosslund claims last year and the forecast calls for another \$1-million in 1989.

Brynelsen said throughout the next few years exploration and drilling will pump "at least a couple of million dollars" into exploration and, in turn, into the local economy.

"We have a good two years of exploration and development there," Brynelsen said.

Exploration is a slow and arduous task. Although locals often can sense the presence of an exploration team, little is said until full scale production is underway: many communities have been caught up in small mining companies' speculation of reserves and promises of employment only to be burned when a company goes broke before production begins.

But Rosslanders are keenly aware of what's going on at the Rosslund Camp and are generally pleased that everything is business as usual after more than a year-and-a-half.

"They like the fact that we're here for the long haul," said Antelope's manager of exploration, Frank Fowler. "Most of the comments we receive are those that wish us success and hope we make it."

Antelope estimates drilling at \$17-per-foot. The cost is far less than many drilling operations because, as Antelope geologist Dan Wehrle explained: "we have low maintenance costs because our resource base is right here." Those involved with Antelope's Rosslund operation are locals from the office support staff to the contract drilling team of Brian and Steve Pistak.

Both Fowler and Wehrle are excited by the assay results, the parent venture companies and the experienced drillers: all of which contributes to the smooth and quiet operation of the mining machine.

"I've been at this for 10 years and this is the best drill core I've ever seen," said Wehrle, a Saskatchewan native who spoke of other jobs he'd worked. "I've sampled maybe 2- to 3,000-claims and maybe 10 are good. It's going along so good and so predictably," he said.

Fowler nodded in agreement and added that former claim-holders often didn't get adequate testing of this gold-rich area.

"We've been extremely fortunate to come in and pick up these claims," Fowler said. "The long term plan is to find it, develop it and produce—we're very confident that there will be a mine of some sort someday."

The ore assays indicate fairly low tonnage for the values. Mining specialists agree that one-quarter-ounce of gold per ton is a good start and assays to date depict results ranging from 0.25 (one-quarter ounce) to well over two ounces.

"The results are very close to the average of what the LeRoi was producing," said Fowler.

Many have focused their attention on the Rosslund Camp, most notably Brynelsen.

"If Bern were a little bit younger he'd be up here doing the job as well or better—he realized he couldn't come here and sit on it and, to his credit, he brought in someone he felt could," said Fowler.

"You can have the best plan in the world but you look at who's behind it," he summed.

Nature seldom puts only one mine in any major mining camp.

*Introductory quote, photo courtesy Rosslund Historical Society*



**CU'S**  
STEAK and  
SEAFOOD HOUSE

Daily Lunch & Dinner Specials  
Monday-Thursday 11 a.m. - 10 p.m.  
Friday & Saturday 11 a.m.-11 p.m. Sun. 4 p.m.-10 p.m.  
816-3rd Ave. West 624-3111  
(across from Overwaitea)

# The Daily News



**La Gondola**

VENETIAN DINING ROOM  
"CONTINENTAL ATMOSPHERE"  
Next to the Rupert Motor Inn  
Overlooking the Harbour

DINING ROOM 624-2621  
and DRIVE-IN  
710-1st Ave. W. 624-3359

PUBLISHED AT CANADA'S MOST STRATEGIC PACIFIC PORT  
PRINCE RUPERT, "THE KEY TO THE GREAT NORTHWEST"

79TH YEAR NO. 39

PRINCE RUPERT, B.C., FRIDAY, FEBRUARY 24, 1989

Fax 604-624-2851 (604) 624-6781 45¢ per copy

## Brynelsen hits paydirt with Kootenay mine

By SURJ RATTAN  
Staff Reporter

It takes six weeks to get a replacement part for a Mercedes Benz. That's the first thing Canadian mining legend Bern Brynelsen tells the Daily News in a telephone interview from his Vancouver home. "Some woman hit me in the rear. Do you know I have to wait six weeks to get a part for my Mercedes?," asks the 78-year old.

But waiting is one thing Brynelsen should be used to by now. He has waited 40 years for something good to come out of the Evening Star mine claim he jointly owns in Rossland, B.C., located in the West Kootenays. And now Brynelsen thinks he's finally hit paydirt.

"I feel very, very encouraged. This is going to be a good one. It's really beginning to shape up," Brynelsen says with a ring of excitement in his voice.

And Brynelsen has good reason for feeling excited about the Evening Star claim. It's located only one mile northeast of the Le Roi Mine which produced over three-million ounces of gold and three million ounces of silver during its 50-year mining history from 1891 to 1941.

At today's prices, that find translates into over \$2-billion worth of precious metals.

Brynelsen is hoping history will repeat itself. He has two drilling rigs currently working on the North Belt section of the gold claim and the latest assay results indicate positive news will come out of all of the drilling work.

"We expect to be drilling all year long. We'll be spending at least \$1-million in the next six months," says Brynelsen. "It looks really interesting right now. The last assay results look good."

He adds that he and his partner, Antelope Resources, think their work will result in another Le Roi find.

Brynelsen first became familiar with the Rossland claim when he was an engineering student at the University of B.C. in 1928. One of his professors was the chief engineer for the Le Roi drilling project.

Brynelsen, sensing the Rossland area would one day produce significant profits from mining, got together with six friends and started staking claims.

"We went in there and put together a nice bulk of claims. That was when we formed the Rossland Mining Company. I'm the only one left out of the original group."

Over the last 40-years Brynelsen has managed to acquire 107 claims in the area of the Le Roi mine.

The claims originally belonged to Cominco Ltd., the huge lead and zinc company which currently operates of smelter out of Trail, B.C., a 15-minute drive away from Rossland.

Brynelsen first started acquiring his claims when a company he was working for, Quebec Gold Mining, which held options on 49 claims in the area, decided it could not afford to develop the claims.

He and a partner then bought the claims from Quebec Gold Mining. Ever since Brynelsen first became familiar with the Rossland site,

he has believed there is another find the size of Le Roi just waiting to be

discovered.

"I just want my old dream to come true. I've always believed in that camp," says Brynelsen.

The Le Roi claim was so big it resulted in a stock exchange being opened up in the "Golden City".

"I'll tell you in about a year from now," Brynelsen says when asked what he thinks the Evening Star claim is worth.

"Le Roi produced about \$2-billion at present prices ... and that's no small piece of change. Our target is another Le Roi."

In addition to his current mining project, Brynelsen and his Calgary-based Bryndon Ventures Inc., a company trading on the Alberta Stock Exchange, are heavily involved with oil and gas exploration work in Alberta.

But it is the thought of having another Le Roi on his hands that keeps the retired mining legend smiling these days.

"It's really a fun project for me. Now I can devote all of my time to it."

But Brynelsen is not the only one smiling about his current mining project. The city of Rossland also has a big grin on its face.

"We employ local people and they're fairly excited about it. We're quite happy with what we have. Hopefully we'll be going underground in the next six months," says Brynelsen.

One of the people who hopes Brynelsen hits it big with the Evening Star claim is Rossland Mayor Don Camozzi.

"If it's a success, we'd be thrilled to pieces," says Camozzi.

Some people might think waiting for 40 years for to hopefully strike it rich is too long of a time to wait.

But Brynelsen says if you're going to play around in the mining game, you better have patience, and lots of it.

"I think this one will be a big one. This is a proven camp and you always look to the proven camps."

## Antelope allots \$1 million for Le Roi

VANCOUVER— Antelope Resources (VSE) will spend \$1 million or more on its Rossland, B.C., gold property this year. The project is a joint venture with Bryndon Ventures (ASE). To date, over 40,000 ft of drilling has been completed, divided almost equally between the north and south belt claims.

President, Christian von Hessert, noted that funding for the work will be raised "on a staged basis"

and he said a gold reserve of 50-100,000 oz would have to be blocked out to justify an underground program. Such a program would need a larger budget, he added.

The north belt area, where Antelope is now drilling, was mined to approximately 250 ft and records indicate gold production of 1,806 oz from 2,859 tons of ore. This zone appears to be on strike with the Le

Roi mine which produced over three million ounces gold and three million ounces silver, the company said. Mineralization currently being explored lies approximately 300 ft above the main portal to the Le Roi where mining ceased in ore some 2,000 ft below surface.

Antelope has been concentrating on the north belt zone where ground water conditions are favorable and mineralized intercepts were closer to the surface. It's also accessible by adit, while the south belt would need a ramp or shaft requiring pumping.

The north belt, which has been drilled to a depth of 300 ft, has a known strike length of 800 ft and is still open. Some of the better recent intercepts included 12.8 ft of 0.3 oz gold, 15.9 ft averaging 0.3 oz, 16.4 ft of 0.25 oz, and 5.9 ft grading 0.4 oz. Most of the intercepts are fairly shallow.

The company is attracted to the fact that production from the Le Roi mine came from relatively small stoping areas so blocking out new reserves could be very rewarding, albeit time consuming. Gold mineralization is associated with sulphides so magnetic and electromagnetic geophysical methods are used for locating good targets. There is a good correlation between sulphide content and gold content and the gold seems evenly distributed in the sulphides. Antelope believes a reasonable inventory for the north and south belts is about 50,000 oz gold.

Most of the past production from the area was direct-smelted at Cominco's nearby Trail smelter, but a good sulphide float could be made. As much as 40% of the gold is native and extractable by gravity concentration.



# Business

BEIJING'S  
INVESTING

Page 43

The Province

Monday,  
May 8, 1989

Page 29

## LURE OF LEROI MINE CALLS AGAIN

Canadian Press

ROSSLAND — The locals call it Leroy.

Leroy's been snoozing for the last 40-odd years, disturbed only by summer tourists to this southeastern Interior town.

Bern Brynelsen, a 78-year-old mining engineer from Vancouver,

is spending millions to wake Leroy up.

Leroy is the LeRoi gold mine. LeRoi — the French word for king — was the richest of five mines developed after gold was discovered on Red Mountain in the 1890s. The mines produced more than \$1 billion worth of

gold.

When mining petered out in the 1930s, Red Mountain was honeycombed with tunnels.

Now LeRoi — about a half-kilometre from the downtown of this community of 4,000 near the U.S. border — is the only genuine hard rock mine in Canada open

to tourists.

Brynelsen's involvement with LeRoi began when he was working for an Eastern company, looking for properties after the Second World War.

Over the years, Brynelsen kept acquiring claims in the Rossland area. However, most of Brynel-

sen's effort went into other ventures.

For 35 years, he scoured Western Canada for Noranda Inc.

"I'm old and retired now," he chuckles. "I'm hoping for another LeRoi. I have a lot of faith and the results are encouraging."

# The Financial Post

Canada's National Business Newspaper

Weekend Edition

May 20-22, 1989

## Old gold mines glitter again

By Jean Sorensen

For The Financial Post

VANCOUVER — Old gold mines, like old soldiers, never seem to die.

"There was a lot of gold activity up until 1941," says Jack Patterson, executive director for the British Columbia and Yukon Chamber of Mines.

Many were one-man operations yielding just enough gold to exist. But when World War II ended, gold prices plunged and returning veteran miners never went back to their digs.

With today's gold prices and technology there's a renewed interest, especially in larger properties, says Patterson.

At least two of B.C.'s top five record gold properties are making comebacks: the Silbak Premier and Nickel Plate.

The province's record gold producers are: Bralorne, operating from 1932 to 1971, produced some 5.5 million tons of ore with a grade average of .52 ounces of gold per ton; the Rossland Group (Centre Star, Le Roi, War Eagle, and other claims), operating from 1893 to 1942, produced 5.9 million tons of ore grading .46 oz; Silbak Premier, 1918-1967, 4.7 million tons grading .39 oz; Nickel Plate, 1904 to 1958, 3.3 million grading .41 oz, and Pioneer, 1914-62, 2.5 million grading .54 oz.

Bralorne and Pioneer, in southwestern B.C., are in a maintenance mode, according to Mark Tindall, senior project geologist for Corona Corp.

Cominco is doing some limited exploration work on the Rossland Group, but according to a company spokesman "nothing has jelled."

Silbak is a joint-venture resurrection lead by Westmin Resources, which owns 50.1%, Premier Gold (formerly Pioneer Metals Corp) 40% and Canacord which has 9.9%.

### Mineral target

Westmin's Vice-President Explorations, Art Soregaroli, says a package of claims including the neighboring Big Missouri was optioned to Westmin by Tournigan Mining in 1978. Westmin subsequently acquired property rights and is targeting for mineral zones that had been neglected by modern exploration techniques.

The Westmin-led joint venture group is starting its new mill on the British Silbak property with ore being fed from both claims. The open-pit operation is geared to feed 2,000 tons daily to the mill. Although mining is seasonal, the mill will operate year-round and employ 165 men.

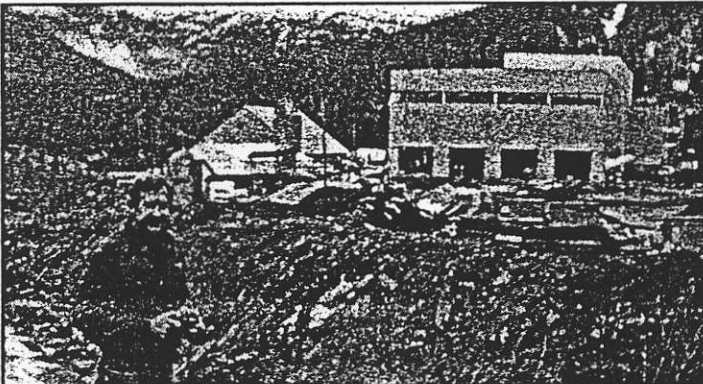
"We are confident there is a lot more ore there," says Soregaroli. "There are other targets we have identified."

"During the 1920s, it paid out \$20

### High prices lure companies back with high-tech projects



One of the early mines in Rossland, 'The Golden City'



Project manager Ross Banner at Premier Gold Project mill site

million in dividends alone," says Soregaroli, who describes it as one of Western Canada's "richest mines" during its heyday.

Another old star was brought back in April 1987 when Corona Corp. reactivated the old Nickel Plate Mine near Hedley, B.C. John Bellamy, senior geologist in Vancouver, says the open-pit

operation has a milling capacity of 3,200 tons per day.

However, the mine has been a major disappointment to Corona, which took a \$108 million writedown on it. Output was well below the forecast and production costs at US\$354 an ounce, were far too high.

Bellamy says one of the hurdles is

ploughing through the old data. "Often there is so much old data, you are swamped. You find yourself proceeding along the same lines as the oldtimers. What you need is new thinking of the geological problems."

So far, Cominco is having no luck on the Rossland Group of claims (Le Roi, Centre Star, and War Eagle were the most prominent producers and some shafts extend under the town of Rossland).

But Antelope Resources, listed on the Vancouver Stock Exchange, is betting on claims near the old Le Roi digs.

Guiding Antelope is president Christian von Hessert, who has already brought one grand old dame back to the limelight. In 1984, Von Hessert, through his Ontario company Coin Lake Gold Mines Ltd., entered a joint venture with an Australian company in a South Dakota Black Hills property known as the Golden Reward, the area's second major producer historically.

### Revived mine

Located near Terrysville (Calamity Jane's old hometown), the mine was only surpassed in production by the Homestake, the largest continuous gold producer in North America.

The revived mine is now a successful heap leaching operation.

Patterson says that as well as the top producers, comebacks are also being tried at 27 other medium to small producers, including what is believed to be B.C.'s oldest gold property — the Granite Poorman operation just west of Nelson which started operating in 1890 and continued through to 1954.

It's now being put back into production by a local entrepreneur who has built a new mill and expects to employ 25 to 30 with start-up sometime next year.

Another venture in northwestern B.C. trying for a return is Porcher Island. Cathedral Gold Corp., the exploration and development arm of Imperial Metals Ltd., Vancouver, expects to reach a production decision on this Prince Rupert property by year-end.

The 50-year-old gold property was closed in 1938 when it was plagued by bad luck. A fire destroyed the old mill and a new, larger mill was built but before it could operate, the company ran into financial problems. Depressed post-war gold prices sealed the fate of the closed mine.

Cathedral took over the property in 1987; reserves are estimated at 1.5 million tons at .20 grading oz. per ton. Estimated capital cost for the underground operation is \$22 million with production rated at 500 tons per day, 36,000 ounces of gold produced annually.