

861903

July 8th, 1971.

LUC SYNDICATE
PROGRESS REPORT
SECOND QUARTER - 1971

← file

gsWB
K.D.W.

The field season got underway during the latter part of May. A base was established at Rosemount, 2 miles south of Germansen Landing. The main effort is directed toward exploration of the area west and north of Germansen Landing.

Ten field men were on the payroll at the end of May and, by June 21st, this was increased to thirteen (including the Field Superintendent, J.C. Stephen).

A helicopter has been chartered from Northern Thunderbird Air for the three month period June-August.

Having had a fairly clear field south of Germansen Landing for the past few years, I was not prepared for the number of major companies that there are in the area this year. These include Noranda, Cominco, Granby, Union Miniere, Falconbridge, Cyprus, El Paso, Great Plains, New Jersey Zinc, Pechiney, Amoco and Imperial Oil. Ten helicopters are based in Germansen.

The profusion of companies has necessitated a different approach to exploration from the usual "find and then stake" procedure. Particularly in the Duckling Creek area, where Granby has Kennecott's old Lorraine property under option, staking has to come first and, accordingly, LUC has been busy staking claims.

LUC has five crews in the field; four are in the Germansen area and three of these are presently near the head of Duckling Creek.

WB

Noted
JOK

now

The fifth crew is off on its own, at the head of the northwest arm of Takla Lake - 60 miles WSW of Germansen.

GENERAL

The philosophy behind the formation of the LUC Syndicate was to search for and find a large copper-molybdenum deposit. In B.C. there are a number of operations based on "porphyry" deposits, some entirely copper, some entirely molybdenum, and some containing valuable amounts of both copper and molybdenum.

The "porphyry" deposits are generally found in granitic rocks of varying compositions. In this regard, there is a useful guide - molybdenum is found in association with the quartz-rich granitic rocks. The point being made here is that syenites (quartz-poor granitic rocks) dominate in the Germansen area and, hence, our objective is more likely to be a straight copper deposit.

Chalcopyrite (CuFeS_2) is by far the most abundant copper ore mineral in B.C. and is the essence of the porphyry copper mineralization. It is equally true, however, that every porphyry operation in B.C. owes some measure of its success to having something in addition to chalcopyrite - generally bornite (Cu_5FeS_4) in the straight copper deposits or, less generally, chalcocite (Cu_2S) - as at Gibraltar and Bell Copper.

The presence of the added ingredient, be it bornite or chalcocite, is particularly significant in the more costly, northern areas and, hence, special attention must be paid to such occurrences. They are not common.



W.R. Bacon,
Manager, LUC Syndicate

LUC SYNDICATE
 FINANCIAL REPORT
SECOND QUARTER - 1971

<u>Account</u>	<u>Period</u> <u>Mar. 31 to June 30</u>	<u>Year to Date</u>
Petty Cash	600.00	1,100.00
Accounts Receivable	28.80	28.80
Machinery & Equipment	219.89	1,089.89
Automotive Equipment	-	2,100.00
Purchases - Food	2,513.96	2,513.96
Purchases - Maps, Photos, Publications, etc.	395.91	444.56
Claim Recording	40.00	40.00
Geochemical	1,088.28	1,088.28
Casual Labour	63.75	63.75
Unemployment Insurance Expense	63.65	63.65
Pension Expense	143.43	165.03
Tools & Supplies	2,350.10	2,938.39
Blueprinting, Drafting & Supplies	156.19	156.19
Rent (storage)	30.00	30.00
Aircraft Rental	370.00	370.00
Repairs - Equipment	255.75	255.75
Vehicle Operating Costs	507.62	507.62
Travel Expense	1,794.62	1,908.12
Salaries	11,634.81	15,384.81
Office Expense	1,500.00	3,000.00
Telephone, Cartage, Express, etc.	243.04	288.73
Insurance	889.00	889.00
Management Fee	4,500.00	9,000.00
Licenses & Fees	25.00	25.00
Interest & Bank Charges	2.20	2.20
Miscellaneous Expenses	<u>54.05</u>	<u>54.05</u>
 TOTAL EXPENDITURES	 29,470.05	 43,507.78
 PLUS BANK BALANCE JUNE 30/71		 <u>46,492.22</u>
 TOTAL CONTRIBUTIONS - 1971		 \$90,000.00