

Quinto Moving On

The Quinto Mining Corporation and joint venture partners Greyhawk Resources Ltd./Willcrest Resources Ltd., have completed their Phase II development drilling program and are now preparing for the next stage on the Lumby project located at Lumby, British Columbia, 16 miles east of Vernon.

Dave Kuran, Quinto's geologist, says that the target zone is a major mineralized shear zone in the south limb of a regional anticline. The rocks hosting the shear zone has been traced geochemically and geophysically for a length of 4,920 feet and 1,200 feet vertically from the past producing Chaput silver mine to the Plateau zone on Saddle Mountain.

A total of 10 rotary drill holes and 28 diamond drill holes have been completed on the Plateau zone. All drill holes intersected anomalous to economic gold mineralization, ranging up to 0.132 ounces of gold per ton over 105 feet, to a depth of 500 feet over a strike length of 1,300 feet.

Recent soil sampling has partly outlined a high gold anomalous zone some 1,000 feet south and parallel to the Plateau zone adjacent to an intrusive contact. Anomalous silver and base metal values follow the same trend.

From the 1,200 soil samples taken, two major structures were indicated, the company says. One indicates a gold deposit along the contact between the diorite and the sedimentary rocks. The other traces a vein structure running due east for about one mile where outcrop samples ranged in value from 0.081 to 0.088 ounces of gold per ton, plus silver and zinc. The geochemical samples ranged from 100 ppb to 600 ppb along the strike.

Future exploration on Saddle Mountain will include bulk sampling of the Plateau zone, possibly by exploration adit, rehabilitation and underground drilling on the existing Mine zone, trenching of new soil geochemical anomalies prior to possible drilling and continuing development drilling on the Plateau zone.

The current work includes clearing the production tunnel in preparation for drilling from the cross-cut. The area is where the old silver vein was worked and it has a possibility of yielding 10,000 to 20,000 tons of high grade silver/lead/zinc. Two thousand feet of underground and surface drilling are planned to block it out.

Presently, an aggressive exploration program is underway on the remainder of the claims which are underlain by similar geology and structures as Saddle Mountain.

The program will consist of stream and soil geochemistry, geological mapping and airborne geophysics to be followed by detail geochemical and geophysical work.

Diphen Surveys will be flying 185 line miles (294 km) of airborne geophysics on 500 foot spaced lines.

Quinto's treasury has approximately \$500,000 in exploration funds slated for use between now and next January. The Company is also negotiating for \$1 million financing using flow-through shares which will be used to increase the pace of exploration.

1 UMBY

Notes From Underground

By Susan Green

with each donation of \$10 or more. All proceeds go toward the mill stabilization fund.

One of the Museum's founders was recently made a member of the C.I.M.'s 50 Year Club. Archie Smith joined the Canadian Institute of Mining and Metallurgy in 1936, and enjoyed a long and distinguished career in the mining industry (primarily at Britannia). His contributions were honoured this fall at the C.I.M.'s District 6 meeting, where he was presented with a commemorative plaque and gold lapel pin. Archie has served on the Board of our own Society and he continues to act as advisor to the Museum. He has also made many generous donations to our collections. Congratulations on your latest achievement, Archie!

How to Get Rich Quick!

Diamond Lil would definitely approve! Don't miss the annual Klondike Night Casino and Auction sponsored by the Greater Vancouver Mining Women's Association and the Engineers Club.

This annual fund-raising event will be held Saturday, March 28th at 7:00 p.m. at the Engineers Club, 640 West Pender Street. Tickets are \$25 and everyone is welcome. Not only is it a fun night, it supports a good cause - the B.C. Museum of Mining.

This winter, Wayne Trowse and Robin Banks kindly arranged the donation of 46 theatre seats to the Museum. The chairs came from the old Bralorne Mine Theatre - an appropriate source - and will be used to replace the worn-out seats in our A/V theatre. Despite an early blizzard, our

maintenance crew brought the precious cargo safely down to Britannia and we plan to have the seats installed in time for our 1987 season opening in May.

As we leave 1986 behind, here's a special note of thanks to all those who donated items to our collections last year. Without your generosity there would be no Museum!

AWARD WINNERS

Continued From Page 28

assets, and together they controlled 44% of Temagami Mining Co. Suddenly in the few months to February 1959, in a series of moves which dazzled the Canadian mining and financial communities, Dr. Keevil rapidly acquired control of no fewer than five established mining companies, and substantial shareholdings in a number of others. The *Mining Journal* estimated that he had parlayed \$1,000,000 into an empire worth \$35,000,000 in seven short months. This move has since been followed by a continuing cycle of consolidation, new acquisitions, and an aggressive exploration and development programme which has brought the Keevil Mining Group to a major position in the Canadian mining industry.

Dr. Keevil is currently Chairman of the Board of Teck Corporation, TDC Technology Development Corporation, Moli Energy Limited, President of Teck Mining Group Limited as well as being a director of several other companies developing natural resources and high technology.

CADIUM - a by-product of lead-zinc ore, is most often used in small batteries that power your wristwatch, calculator or camera. The mineral is also used in paints and lubricants, as a plastics stabilizer and as a coating on other metals to prevent corrosion.

Quinto Mining Ore At Lumby By Summer '87

Vancouver-based Quinto Mining Corporation says they will be mining their ore at the Lumby Property this summer. The decision was recently made by the company, based on the following.

- Assays from the open pit mining indicated gold values of .27 oz./ton and silver between 1-10 oz./ton.

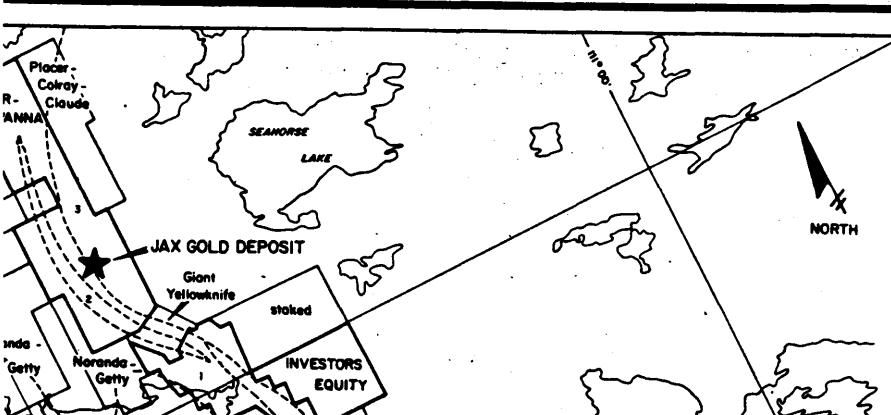
- Metallurgical testing was done by Lakefield Research, Lakefield, Ontario, and their report states "that the recovery from the open pit is 80.6% (.22 gold) and for the underground mining the recovery is 96.5% (.152 gold)."

To date, Quinto has blocked out approximately 500,000 tons of which 100,000 tons is open pit.

Paul Schiller, president of Quinto Mining, says the mill on the property is currently being upgraded to start mining 250 tons per day with capacity for larger tonnage.

Quinto Mining Corporation, listed on the Vancouver Stock Exchange; trading symbol QU, says it will have the necessary funds to start production this summer.

BERYLLIUM, TANTALUM AND THE RARE EARTHS - a group of elements used mostly in high technology applications. These elements are combined with other metals to give special properties to the resulting alloy. Beryllium, for instance, is combined with copper to create corrosion resistant pipe valves and electrical connectors. Gallium arsenide is used to make computer chips which are faster and more powerful than silicon chips. Yttrium, Neodymium, Samarium and Gadolinium are the most common of the long list of exotic names which make up the Rare Earths group.



COURAGEOUS LAKE GREENSTONE BELT
McKenzie District, N.W.T.

GEOLOGY & PROPERTY LOCATION
FEBRUARY, 1987

ABER = ABER RESOURCES LTD.
Listed: Vancouver Stock Exchange - ABZ
Contact: D. Grenville Thomas, President
(604) 662-8358

SAMANNA = SAVANNA RESOURCES LTD. (65%)

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With Phase II drilling completed, Quinto prepares for next stage on Lumby

LUMBY, BC—Quinto Mining Corp. (QU:VSE) has completed its Phase II development drilling program and is preparing for the next stage on the Lumby project located at Lumby, British Columbia, 16 miles east of Vernon.

Dave Kuran, Quinto's geologist, says that the target zone is a major mineralized shear zone in the south limb of a regional anticline. The rocks hosting the shear zone are interbedded volcanic tuffs and sediments. This shear zone has been traced geochemically and geophysically for a length of 4,920 feet and 1,200 feet vertically from the past producing Chaput silver mine to the Plateau zone on Saddle Mountain.

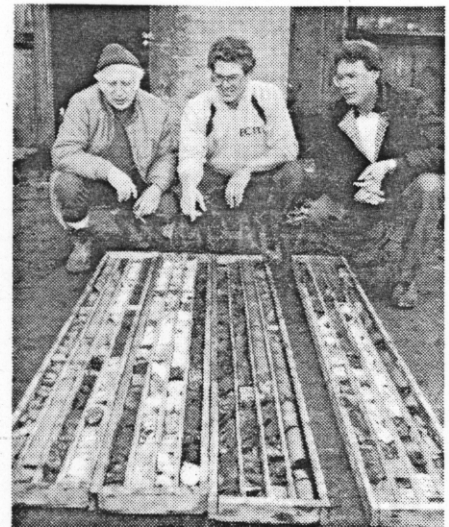
A total of 10 rotary drill holes and 28 diamond drill holes have been completed on the Plateau zone. All drill holes intersected anomalous to economic gold mineralization ranging up to 0.132 ounces of gold per ton over 105 feet to a depth of 600 feet over a strike length of 1,300 feet.

Recent soil sampling has partly outlined a high gold anomaly located some 1,000 feet south and parallel to the Plateau zone adjacent to an intrusive contact. Anomalous silver and base metal values follow the same trend. A vein structure was indicated as well.

Paul Schiller, president, explains, "From the 1,200 soil samples we took, two major structures were indicated. One indicates a gold deposit along the contact between the diorite and the sedimentary rocks and the other is vein structure running from the Teacher's Tunnel, as we call it, due east for about one mile."

He says that outcrop samples ranged in value from 0.081 to 0.088 ounces of gold per ton, plus silver and zinc. The geochemical samples graded from 100 to 600 parts per billion (ppb) along the strike.

Future exploration for the Saddle Mountain portion of Quinto's 40-square-mile property will include bulk sampling of the Plateau zone, possibly by exploration adit, rehabilitation and underground drilling on the existing Mine zone, trenching of new soil geochemical anomalies prior to possible drilling, and continuing development drilling on the Plateau zone.



Inspecting drill core at Quinto's Lumby project are, l to r, Paul Schiller, president of Quinto, Ed Stranks, mining technician, and Tod Dean, president of Greyhawk.

Schiller says the current work includes clearing the production tunnel in preparation for drilling from the crosscut. The area is where the old silver vein was worked and it has a possibility of yielding 10,000 to 20,000 tons of high-grade silver/lead/zinc. Two thousand feet of underground and surface drilling are planned to block it out.

Presently, an aggressive exploration program is underway on the remainder of the claims, which are underlain by similar geology and structures as Saddle Mountain. This program will consist of stream and soil geochemistry, geological mapping, and airborne geophysics to be followed by detail geochemical and geophysical work.

Dighem Surveys will be handling the aerial work, says Schiller, flying lines 500 feet apart.

Joint venture partners **Greyhawk Resources Ltd.** and **Willcrest Resources Ltd.** can each earn a 25% interest by spending C\$500,000.

Schiller adds that Quinto's treasury has approximately C\$500,000 in exploration funds slated for use between now and next January. The company is also negotiating for a C\$1 million financing using flow-through shares which will be used to increase the pace of exploration. ✕

Exploration plans in near Lillooet

Mineralization in 1984, the Ridge zone contains a single high-grade silver-bearing galena vein in granodiorite. Preliminary trenching has yielded samples assaying up to 177 ounces of silver per ton. The vein is highly oxidized near surface. Given the high silver content and the extensive oxidized zone, economic potential is indicated, Keyser says.

Mineralization at East Creek consists of at least 10 roughly parallel silver and gold-bearing sulphide veins hosted in a highly altered zone of granodiorite, and rhyolite flows, dikes, and breccia pipes. Soil geochemistry indicates that the mineralized zone extends to the west, east, and south.

Recognition of the structural and stratigraphic setting of mineralization on the Silver Queen property has yielded the following exploration targets: 1) silver/gold/lead/zinc stockworks and breccias associated with upper Tertiary rhyolite breccia pipes and hypabyssal intrusions in the area of East Creek, and 2) contact-controlled mineralization along the margins of the main Tertiary rhyolite plug on the property. Overburden is extensive and

CORPORATE NOTES

LUMBY

QUINTO MINING CORP. (VSE-QU)

Exploration and development on **Quinto Mining Corp.**'s Lumby Project continues to return positive results.

Development drilling has been continuing at 100 and 50 foot spacings to determine the shape and grade of the Plateau Zone. Presently a long hole designed to intersect the zone 1,050 feet down dip is being completed. Further long holes are planned that will greatly increase the already respectable tonnage and grade developed to date.

In addition to diamond drilling, a reverse circulation drill program will be initiated shortly. This program is designed to give detailed assay and structural information to be used in pit design for the mining of an estimated 75,000 to 100,000 tons of near-surface material grading roughly 0.25 ounces of gold per ton. The rotary drill will also be used to in-fill deeper portions of the structure.

Preliminary metallurgical testing by Lakefield Research of Canada Ltd. indicate a high rate of gold recovery.

The mill existing on the property contains gravity and flotation circuits and will be amenable to processing this ore. Hole 86-29 drilled in the Mine Zone intersected the Mine Vein containing 67.0 ounces of silver per ton and 0.068 ounces of gold per ton over a true width of 3.28 feet.

Exploration drilling will continue on several other target areas outlined by geophysical and geochemical surveys completed in 1986 on Saddle Mountain near the Plateau Zone. Detailed geochemical and geophysical surveys are planned to pinpoint new drill targets on other zones defined by an airborne geophysical survey conducted over the remaining 27 square miles of claims controlled by Quinto on its Lumby Project located 16 miles east of Vernon, British Columbia.

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For further information, please circle Reader Service No. 149 on page 49

CITADEL GOLD MINES, INC. (NASDAQ-CIGCF) (ASE-CIG)

Citadel Gold Mines Inc. has announced that it has come to an agreement with CMP Funds Management Ltd. to provide the company with \$2,500,000 to be spent in 1987.

The money will be used to continue the ongoing exploration activities at the company's Gold Property in Wawa, Ontario.

To date the mine has been dewatered to the 950-foot level and surface and underground diamond drilling are currently underway.

Citadel is also in the process of acquiring a bulk sample for metallurgical testing purposes and will dewater the adjacent Jubilee Mine. A detailed examination of the ore reserves is also underway.

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For further information, please circle Reader Service No. 150 on page 49

CUSAC INDUSTRIES (VSE-CQC:NASDAQ-CUSIF)

Cusac Industries Ltd. has reported that a second major structure has been scheduled for production in 1987 on CUSAC's Table Mountain property located near Cassiar, British Columbia. The new discovery is one of the six gold-bearing veins found by Erickson Gold Mining Corporation, the operator of the property, in 1986.

The just completed discovery hole, drilled from underground, intersected 13.1 feet grading 1.49 ounces of gold per ton and 1.29 ounces of silver per ton. This zone was found only 164 feet south of the producing Eileen vein from which initial production commenced on July 1, 1986, at the rate of 150 tons per day.

Production, in the first six month period, as reported by Erickson, has averaged 0.94 ounces of gold per ton, with the last three months averaging 1.18 ounces of gold per ton. Overall production for the six month period has yielded 24,262 ounces of gold.

Cusac has calculated revenue during 1986 to be C\$4,197,488 or C\$0.82 cents per share. This is based on Erickson's stated revenues less pre-production, and production costs (subject to audit and verification) to September 31, 1986, and estimated costs of C\$200 per ton for the fourth quarter. The C\$200/ton figure has been used as a conservative estimate as previous costs stated by Erickson from production at their own mine as well as the other producer in the area have historically been closer to C\$150/ton.

CUSAC has estimated 1987 revenues to be C\$5,401,203 or C\$1.05/share, based on similar rates of production, grades and recoveries as in 1986, and reducing to a 30% net profit interest.

Cusac retains a 40% net profits interest in the property until it has received C\$3 million, at which time its net profit interests reduces to 30%. Cusac's management is delighted that the Table Mountain property is developing into one of Canada's richest gold mines.

A minimum of three years production is currently estimated by the company, but with the ongoing development and exploration programs, this is expected to substantially increase.

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For further information, please circle Reader Service No. 109 on page 49

LARAMIDE RESOURCES LTD. (VSE-LAM)

The company owns a 35% working interest in the Lara gold/silver base metals project on southern Vancouver Island near the town of Chemainus, British Columbia. Abermin Corporation, 65% owner and project operator, has issued a preliminary report on the 1986 exploration program; detailed diamond drilling has identified a high grade area within the Coronation Zone; it is 530 feet long and 11.1 feet thick averaging 0.23 ounces of gold per ton

KETTLE RIVER RESOURCES LTD. (VSE-KRR)

Kettle River Resources Ltd. has announced that recent trenching and diamond drilling on the Crown property located near Greenwood, British Columbia has confirmed the presence of substantial gold mineralization. The property is owned by Consolidated Boundary Exploration Limited. Noranda Exploration Company, Limited (51%) and Kettle River (49%) have the right to earn a 66-2/3% interest in the claims by spending C\$1,000,000 on exploration. Upon completion of this expenditure the participating interest of each company will be: Noranda 34%; Consolidated Boundary 33-1/3%; Kettle River 32-2/3%. Noranda is operator of the project.

During the 1986 season, a 328-foot spacing control grid was established over the area of interest and geological mapping and soil sampling were completed. Soil results delineated several highly anomalous gold zones in a 1,000 ppb gold anomaly 165 feet wide and over 2,600 feet in length. Backhoe trenching of these anomalies uncovered rusty sheared sulphide zones that assayed locally up to one ounce gold per ton over six feet.

A recently completed 5-hole diamond drilling program tested beneath these oxidized areas. Results just received from Noranda show that although there is some minor surface enrichment, the gold values persist into the fresh rock. Multiple gold zones are indicated by the trenching and widespread drilling but as some of the trench intercepts are 1,300 feet away from drill hole data, further work on closer spacing is required to evaluate the discovery.

Mineralized intersections for the completed drilling are as follows:

Hole No.	Interval (ft)	Width (ft)	Oz Au/Ton
CR-86-1	100-2-101-0	0.8	0.81
CR-86-2	58.6-60.9	2.3	0.14
CR-86-3	44.0-48.8	4.8	0.11
CR-86-4	33.7-36.0	2.3	0.62
	59.5-61.0	1.5	0.14
	79.5-89.9	10.3	0.03
	201.2-201.8	0.6	0.47
	281.2-284.5	3.3	0.47

Note: All of the above are weighted averages.

A program of trenching, drilling blasting and stripping will begin in early 1987, followed by diamond drilling.

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For further information, please circle Reader Service No. 129 on page 49

ABER RESOURCES LTD. (VSE-ABZ)

Aber Resources Ltd. reports that plans are now being formulated to carry out a 5,000 foot drill program on the company's Jax Lake property held under option from Savanna Resources Ltd. in the Courageous Lake Gold Belt, Northwest Territories. This will follow up geophysical surveying and mapping carried out in 1985 and 1986. The

CROWN

In Costa Rica, Midland has a 30% interest in the 10 square mile Bellavista-Montezuma property located 80 miles northwest of San Jose. Reserves to date are 2.15 million tons of proven and probable ore grading 0.136 ounces of gold per ton and 0.23 ounces of silver per ton with 80% open-pittable. There are 2.53 million tons of inferred reserves grading 0.145 ounces of gold per ton. This represents 660,000 ounces of gold and 1,076,400 ounces of silver giving a current value of approximately \$274 million. It is expected that Midland's joint venture partner, RayRock Yellowknife Resources Inc., will prove five million tons by June, 1987, and production will begin early in 1988 at a cost of US\$115 per ounce of gold. At US\$450 for the price of gold, earnings would be \$1.08 per share at 1,500 tons per day. At a normal price/earnings ratio of 40 times earnings, this would result in a US\$43 share value and with a 15 times price/earnings ratio, a US\$15 share value would result.

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For further information, please circle Reader Service No. 106 on page 49

MIKADO RESOURCES LTD. (VSE-MKO)

Embracing some eighty square miles in the Kootenays of British Columbia, the Wagner project of **Mikado Resources Ltd.** (70%) and **Turner Energy and Resources Ltd.** (30%) contains at least eight distinct mineralized deposits with the potential to become operating mines. Although the high grade silver/lead/zinc deposits were discovered in 1893, it was not until now that road access has opened up the rugged terrain enabling practical exploration and development to proceed.

The eight known deposits are known as the Wagner, Sheep Creek, Jewell, Superior, Bannockburn, IXL, Red Elephant, and the Abbott, which has been the focus of the 1986 exploration program. Assay results from the Abbott property have yielded high grade values of silver/lead and zinc, plus gold values up to 0.275 ounces per ton over 3.0 feet. Hole AB-86-16 graded 27.97 ounces of silver per ton, 17.39% lead, 21.88% zinc, and 0.008 ounces of gold per ton over 5.0 feet. In addition, values of cadmium, gallium and germanium have recently been discovered.

The last hole drilled on the Abbott (86-52) in the 1986 field program graded 32.6 ounces of silver per ton, 9.9% lead, 8.51% zinc. Currently, drill-proven and inferred reserves on the Abbott total 45,000 tons with a mineral value of over C\$300 per ton, all near surface.

A rights offering in May funded the 1986 exploration program which also included work on the Wagner property such as geological mapping, sampling, and diamond drilling. Underground work consisted of diamond drilling, drifting and raising, with development ore being stockpiled.

Hole UW-86-3 intersected 22 feet that graded 13.48 ounces of silver per ton, 10.07% lead, 1.96% zinc. The