

W.A. No.

NAME KINGFISHER, BRIGHT STAR, FX

SUBJECT CHIPPINGS

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826 JEA ~~283~~
PROPERTY FILE 007
004392

COLBY MINES LTD.

OCT 14/75 # 200

DIAMOND DRILL PROGRAM UNDERWAY ON KINGFISHER CREEK PROPERTY

The exploration program on the Kingfisher Creek lead-zinc-silver property of Colby Mines Ltd. located 40 miles northeast of Vernon, B.C. started in mid-September and has progressed faster than anticipated. The diamond drill phase of the program is now underway. (See GCNL No.191, page two, Oct. 5, 1976)

In recommending the program K.L. Daughy & Associates Ltd., mineral exploration consultants stated in an Oct. 12, 1976, progress report that diamond drilling and trenching on the Ridge zone in 1973 and 1974 discovered a mineralized zone about 2,000 feet long, open at both the north and south, containing significant lead-zinc mineralization of the "Shushwap" type. The widths of the mineralized intersections varied from 1.5 to 100 feet, with true widths of 50 feet. The grade of mineralization also varied, with the highest grade material often in the widest intersections.

024/02 (NE)

Representatives of a number of major mining companies have examined the property since the new program got underway and have expressed interest in discussing some type of joint venture agreement on the continuing phases of exploration

82LNE009

COLBY MINES LTD.

NS 82 L / NE

PROGRAM OUTLINED TO ANNUAL MEETING -

M. McCormick, president of Colby Mines Ltd., told the annual meeting that the change of direction indicated as a result of the change in the government of B.C. could well mean an early resumption of exploration on the Kingfisher Creek lead-zinc property near Vernon, B.C. The option granted to Northgate Exploration Limited on the Sheep Creek coal properties will not be exercised by Northgate and negotiations will proceed with other major companies which have expressed interest in the ground. He also told the meeting that talks had been held with the bank which could lead to an out of court settlement in the near future.

NO. 249 (DECEMBER 31, 1975) - GEORGE CROSS MINES LIMITED LTD. - TWENTY-EIGHTH YEAR OF PUBLICATION

82LNE009

NS 82 L NE 009

Resumption of an exploration program on the Kingfisher Creek, zinc-lead-silver property 40 miles northeast of Vernon, B.C., is under study and a start is expected during the current field season.

GCNL # 92 (1976) MAY 13th

An examination is underway of an uranium property in the central U.S.A. which has been offered to Colby. Negotiation toward possible acquisition of this property may be initiated dependent upon the findings of the examination program.

Colby Mines Ltd.

The

On the Kingfisher Creek lead/zinc property, 40 miles north-east of Vernon, B.C., a complete regional and detailed geological mapping program was carried out by Dr. Trigve Hoy, of the B.C. Department of Mines and Petroleum Resources. This survey covers the full, approximately 6 miles, of Colby's holdings in this area. The maps and written report are expected to be available in the near future. This information will be invaluable in assessing Colby's future exploration and development program.

82LNE009

Since the property was acquired by Colby, in excess of \$250,000 has been spent on exploration and development. As a result of this expenditure, assessment work has been filed and paid for; including rentals for 10 years on the key claims and for about 5 years on the majority of the outlying claims.

COLBY MINES LTD. GCNL # 90 Sept. 5/75

Colby Mines is active on two prospects

VANCOUVER - Trading in Colby Mines is expected to resume on the Vancouver Stock Exchange on Sept. 8, 1975. Michael McCormick, president, advises shareholders.

He also said the company's action will be continued against the Canadian Imperial Bank of Commerce for damages arising from seizure of funds.

A detailed geological mapping program was carried out on the Kingfisher Creek lead-zinc prospect, 40 miles northeast of Vernon, B.C., and the information will be invaluable in assessing a future program. Mr. McCormick stated. The company has spent in excess of \$250,000 on exploration and development of the property.

NS 82 L NE

COLBY MINES LTD.

PROGRAM OUTLINED TO ANNUAL MEETING - M.McCormick, president of Colby Mines Ltd., told the annual meeting that the change of direction indicated as a result of the change in the government of B.C. could well mean an early resumption of exploration on the Kingfisher Creek lead-zinc property near Vernon, B.C. The option granted to Northgate Exploration Limited on the Sheep Creek coal properties will not be exercised by Northgate and negotiations will proceed with other major companies which have expressed interest in the ground. He also told the meeting that talks had been held with the bank which could lead to an out of court settlement in the near future.

NO.249(DECEMBER 31,1975) + GEORGE CROSS NEWS LETTER LTD. + TWENTY-EIGHTH YEAR OF PUBLICATION+

construction has started on two new roads to open up 2000 acre area near
brook, B.C. 82L

FOR THE RECORD

✓ Colby Mines Ltd. president M.McCormick announces an out of court settlement has been reached in their dispute with the Canadian Imperial Bank of Commerce. The settlement entails the court actions being dismissed without costs to Colby. One result is that Colby Mines intend to resume work immediately on their lead-zinc property at Kingfisher Creek in Vernon area, B.C. Elsewhere, the second phase program on Colby's uranium property in Golden, B.C. is well on the way.

FOR THE RECORD

✓ 82L Colby Mines Ltd. had some \$150,000 of working capital on 1Jun76 but it formed part of Colby's bank account seized by Canadian Imperial Bank of Commerce in March 1975 when the bank brought an action against Colby for \$879,000. Colby seek damages for wrongful seizure. Colby plan further exploratory diamond drilling on their Kingfisher lead-zinc-silver claims near Vernon, B.C., and also the \$78,000 program recommended 7Jun76 by A.Ashton, P.Eng., on their Golden, B.C., uranium claims. In the past year, Colby spent \$40,000 on the Kingfisher and \$11,000 on claims near Uranium City, Saskatchewan.

GC JAN 27 1977

COLBY MINES LTD.

LETTER OF INTENT COMPLETED - Colby Mines Ltd. has announced completion of letter of intent with Union Oil Company of Canada Limited for their participation in the exploration and development of the zinc-lead-silver Kingfisher Creek property, located 40 miles north of Vernon, B.C.

In announcing the agreement, M.McCormick, president of Colby Mines Ltd., stated that the details of the agreement will be reported upon filing of the documents with the regulatory authorities.

Colby Mines carried out a program of exploratory diamond drilling on the property during the fall of 1976 with good results. 82LNE009

COLBY MINES LTD. 82LNE009

MAJOR COMPANY'S CREWS NOW AT WORK ON KINGFISHER CLAIMS - Field crews from Union Oil Company of Canada Limited have started their 1977 exploration program on the lead-zinc Kingfisher Creek property of Colby Mines Ltd. The claim group is located 40 miles northeast of Vernon, B.C. and is subject to an exploration agreement with Union Oil.

GEORGE CROSS NEWS LETTER LTD. NO.191(1976) (Page 82LNE009 OCTOBER 5,1976)
COLBY MINES LTD.

EARLY START TO DIAMOND DRILLING PLANNED FOR LEAD-ZINC KINGFISHER PROPERTY NEAR VERNON - M.McCormick, president of Colby Mines Ltd., has reported that the court actions between the company and the Canadian Imperial Bank of Commerce, have been dismissed without cost to the company. 82L/NE(NE)

He states that exploration has resumed at the Kingfisher Creek lead/zinc property approximately 40 miles NE of Vernon, B.C. Diamond drilling will start in the near future as part of the current phase of work.

COLBY MINES LTD.

MAJOR FIRM STARTS DRILLING - T.J.R.Godfrey, P.Eng., exploration coordinator of Union Oil Company of Canada Limited, has just advised Colby Mines that, Union has awarded the drilling contract on the Kingfisher property to Interior Diamond Drilling Ltd. of Summerland, B.C. They have a Longyear 38 drill mounted on a truck which should facilitate the time between holes. The drilling is expected to start (first hole collared) on September 29 and will be carried out on one twelve hour shift per day. We anticipate that the first 2500 feet of drilling should be completed by October 24."

Colby's Kingfisher property lies 40 miles NE of Vernon, B.C. Pursuant to an option agree-

Net Earnings	2,306,000	1,530,000	first quarter ended 31Jul76. This was essen-
Per Share	28¢	19¢	tially due to the charge for dry holes and
Working Capital	\$4,200,000	\$801,000	abandoned properties of \$520,000, six times

greater than the change in the first quarter. Over 80% of this write-off resulted from surrender of East Coast acreage.

Production declines of 13% in gross oil and natural gas liquids to 303,974 barrels and of 9% in natural gas to 4.295 billion cu.ft. is attributed by Mr. Evans primarily to reduction of oil and gas exports to U.S. Since entering a new gas purchase contract year starting 1Nov76, he expects gas sales to increase for the next 6 months. Also, effective 1Jan77, gas sales price will rise 10¢ per MCF and oil price 70¢ per barrel.

Three development wells drilled in the second quarter resulted in a gas well, an oil well and a dry hole.

Concerning exploration in Canada, Mr. Evans says 3 wells have been drilled in Hutton area, southern Alta., of which 2 were cased as potential Medicine Hat gas wells & completion of the third is underway (CEGO 17½%). In Strachan Field, Gulf et al Strachan 11-27-37-9W5 is being completed as an Elkton gas discovery at total depth of 10,850 ft. On drill stem test it flowed gas at 7 MMcf/d (CEGO 6¼%). At Ricinus, a new pool wildcat, Gulf et al West Ricinus 7-1-37-10 W5, was drilling at 4567 ft. at Oct 31/76 to test NW extension of Ricinus Cardium oil pool and to evaluate a 4160-acre lease block (CEGO 6¼%). The company participated in purchase of 4 petroleum & Natural Gas Exploratory Licences in Alta., as to a 37½% interest in 4200 acres at Marten Hills, 25% interest in 13,600 acres at Grande Prairie, 50% in 12,640 acres at Buck Lake & 33 1/3% in 8,800 acres at Goose Lake. Marten Hills & Goose Lake will be drilled this winter and seismic will be run at Grande Prairie. In B.C., CEGO increased its interest at East Sahtaneh by participating at a 25% interest in purchase of a 17,073-acre permit adjacent to the currently-held block. Seismic will be run on both blocks this winter.

Concerning foreign exploration, CEGO completed an agreement with BP Petroleum Development Ltd. whereby CEGO will assign 37½% of its 10% interest in North Sea Licence P.244, which includes Blocks 21/2, 29/6 and 29/27. In return, BP will furnish CEGO's share of funds to drill and complete North Sea 21/2-3 as well as the next well to be drilled on the same geological feature. Also, BP will reimburse CEGO for half its prior expenditures on Licence P.244 - some \$900,000. BP will continue to furnish CEGO's share of funds for all subsequent wildcat and/or delineation wells and will retain its assigned interest (3 3/4%) unless it elects not to participate. If BP makes that election, its interest in that geological feature will revert to CEGO.

COLBY MINES LTD.

82 LNE009 1976 X

CONSULTANT REPORTED EXCELLENT - K.L. Daughtry, P. Eng., consultant to Colby Mines Ltd. on the EXPLORATION RESULTS TO MEETING Kingfisher Creek lead-zinc property located 40 miles north of Vernon, B.C., told the annual meeting that excellent exploration results have been obtained from the fall diamond drilling program. He stated that some 20 holes have been completed in the current series and that it is expected that two or three additional holes will be completed before the program is temporarily suspended for the Holiday season. The work will resume on the property about Jan. 15, 1977. The meeting was told that sufficient preplanning and advance work has been completed through the fall to permit continuous exploration through the winter months. The property is at an elevation of 2,200 to 2,900 feet and snow is not a serious problem to winter work.

The first ten diamond drill holes were drilled to test a complex drag fold structure within the Ridge zone. The high grade portion of this sulphide zone within the drag fold averages 8.2% combined lead zinc over 10.6 feet width and along a strike length of 350 feet and through a vertical range of 250 feet. The structure is open to both the north and south and down plunge.

He noted that attention has now shifted to a second drag fold 1,500 feet northeast of the first. The first hole 76-11 drilled in this second zone intersected 30 feet of sulphides of which 13.5 feet averaged 11.2% combined lead-zinc.

A detailed magnetometer survey of the Ridge zone has delineated several additional drill targets and drilling is continuing.

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Kingfisher Creek 22

PREMIER CABLEVISION LIMITEDWESTERN BROADCASTING COMPANY LTD.

WESTERN SEEKS CONTROL OF PREMIER BY SHARE EXCHANGE - Frank Griffiths, president of Western Broadcasting Company Ltd., and Sydney Welsh, chairman of Premier Cablevision Ltd., report that agreements have been entered into, whereby, subject to approval of the Canadian Radio-Television and Telecommunications Commission (CRTC), Western Broadcasting will buy from the controlling group of Premier their holdings of approximately 1,064,000 shares representing effective control of that company. The controlling group of Premier will in turn purchase from the Griffiths interests 594,500 shares of Western. Prices payable will be \$10.50 per Premier share and \$12 per Western share. At 31Dec76, Western had a total of 3,629,309 shares outstanding and Premier had 3,316,559 outstanding.

The board of directors of Western will be increased by two to accommodate representation of the Premier group, and Western will be similarly represented on the board of Premier. No other change in the operations of the companies is contemplated.

On approval of this transaction, Western proposed to make an offer to all other shareholders of Premier for all their shares. The terms of the public offer, cash and/or shares of Western, will be determined at the time of offering and will be in relation to market conditions at that time.

Messrs. Griffiths and Welsh say approval of this arrangement by the CRTC will, through the combining of skills and resources, result in advantages to the Canadian broadcasting system.

See GCNL 15(77) for detail of a \$15 per share offer that Rogers Telecommunications intended to make for control of Premier Cablevision.

Trading in shares of Premier and Western was suspended on 26Jan77 for the day pending dissemination of the above information.

COLEY MINES LTD. *S2L N5009*

LETTER OF INTENT COMPLETED ON KINGFISHER CREEK PROPERTY - Colby Mines Ltd. has announced completion of a letter of intent with Union Oil Company of Canada Limited for their participation in the exploration and development of the zinc-lead-silver Kingfisher Creek property, located 40 miles north of Vernon, B.C.

In announcing the agreement, M. McCormick, president of Colby Mines Ltd., stated that the details of the agreement will be reported upon filing of the documents with the regulatory authorities.

Colby Mines carried out a program of exploratory diamond drilling on the property during the fall of 1976 with good results.

FOR THE RECORD

Tandem Resources Ltd., by 31Dec76 agt. effective 26Jan77, have secured an option from Hans Buhr and Roy Carlson to buy certain mineral claims in Trail mining division, B.C., for \$17,200 and 60,000 shares, of which \$7,200 has been paid, \$2,500 and 100,000 shares are payable forthwith, 50,000 shares when exploration starts and \$2,500 plus 150,000 shares at intervals of at least 90 days. Tandem must keep the claims in good standing. Tandem and four owners of contiguous claims have entered into a preliminary letter of intent to convey their claims to a new consortium company in which each will acquire equal shares. Also, provision is made for two other companies to provide \$250,000 for work on the consortium's claims. Sarafand Developments Ltd., by Oct. 26/76 agt. with Gold Hawk Mines Ltd. effective 26Jan77, have obtained an option to buy certain mineral claims for 200,000 shares issuable in eight 25,000-share lots at intervals of not less than 90 days subject to filing ~~satisfactory engineering reports~~ with Vancouver Curb Exchange.

Ionarc Smelters Ltd., pursuant to a major reorganization of their U.S. subsidiary, Ionarc Inc., have sold the arc spray and thermal spray division to TAFE Metallisation Inc., which netted Ionarc Inc. \$78,000.

Pursuant to a joint venture agreement with Associated Minerals Consolidated Limited (AMC) as of 31Dec76, Ionarc Inc. and the company sold their Ionarc Process Patents and minimum Zirconia Facility and associated equipment to AMC for \$114,600 cash. A further \$50,000 is to be paid by AMC to Ionarc Inc. upon receipt of specifications and drawings relating to improvements of the Ionarc Furnace. In addition to cash payments, the company and Ionarc Inc. are to receive a royalty of 2% of all F.O.B. sales revenue from sales of zirconia produced by the Ionarc Process and sold by AMC. The agreement provides for a minimum royalty of \$150,000 in the first royalty year.

Host Ventures Ltd. shareholders' offering of 56,000 shares has been qualified for sale on Vancouver Stock Exchange until 27Apr77. Those offering are Steve Radvak 20,000 shares, Andrew Milligan 2,500, Ann Louise Tornroos 13,000 shs. and L.R. MacConnell 20,500 shares.

\$330,000.

Directors report that SNA's first major premium sale has been finalized. Lufthansa German Airlines has notified SNA's European sales manager of their intention to purchase a test order of 200,000 brushes for distribution on their flights as premium items. They have indicated that if the test order is successful they will have a usage of over 1,000,000 brushes per year.

As previously reported, the subsidiary, Brush Away, Inc., is currently completing manufacture of specialized brushes for a major Las Vegas hotel.

Now that the machine vending side of the operation is firmly established and premium sales are rapidly developing, the company proposes to concentrate on retail sales of BRUSH AWAY, say directors.

For detail of the major machine vending arrangement, see GCNL 177(77), page 3. near 82 L/10

COLBY MINES LTD.

MAJOR FIRM STARTS DRILLING - T.J.R. Godfrey, P. Eng., exploration coordinator of Union Oil Company of Canada Limited, has just advised Colby Mines that, "Union has awarded the drilling contract on the Kingfisher property to Interior Diamond Drilling Ltd. of Summerland, B.C. They have a Longyear 38 drill mounted on a truck which should facilitate the time between holes. The drilling is expected to start (first hole collared) on September 29 and will be carried out on one twelve hour shift per day. We anticipate that the first 2500 feet of drilling should be completed by October 24."

Colby's Kingfisher property lies 40 miles NE of Vernon, B.C. Pursuant to an option agreement, Union Oil has been exploring the property since the Spring of this year.

Colby's president Michael McCormick notes that Colby drilled 11 holes on the property last year. Ten of these tested one drag fold over a strike length of 350 feet and a vertical range of 250 feet. The structure is open to the north and south and down the plunge. The high-grade portion of the sulphide zone within the drag fold averaged 8.2% combined lead-zinc over 10.6 feet. This average did not include results from diamond drill hole 76-1 which returned a 45-foot intersection of 9.7% combined lead-zinc across the fold. Hole 76-11 tested a second drag fold 1500 feet NE of the first. It intersected 30 feet of sulphides within which 1305 feet averaged 11.2% combined lead-zinc.

UNITED WESTLAND RESOURCES LTD.

FUNDS PROVIDED FOR 10 - Dov Amir, president of United Westland Resources Ltd., announces WELL PROGRAM IN OHIO that the company has entered into an agreement with a private U.S. investor to provide \$850,000 (U.S.) for the drilling and completion of the first 10 wells in the company's drilling program in Ohio now underway.

To date the company has drilled and completed to production 4 wells, is currently drilling 2 and will drill the remaining in a continuous program. Mr. Amir says the company "has a carried interest of 25% of the working interest in the entire program at no cost or risk to itself. The company owns and controls by options approximately 3,000 acres, most or all of which are considered proven. The company is evaluating a number of prospective additional oil and gas properties of both a producing and non-producing nature."

The president does not mention in his report whether the production from the 4 completed wells is of oil or gas or both, nor does he indicate production rates, if any.

The president, whose phone number is given as (213) 271-9105 Los Angeles says United Westland is a Canadian oil and gas exploration and production company which conducts its activities in the United States. The shares are listed on Vancouver Stock Exchange. Executive offices are shown as 2205-401 Bay St., Toronto, phone (416) 876-6010.

FOR THE RECORD

La Teko Resources Ltd. have had 100,000 shs. taken down at 30¢ each by Canarim Investment Corp., being half of the option due 12Dec77. Another option on 200,000 shs. that is exerciseable at 35¢ each is good through 15Mar78.

Gillian Mines Ltd. and Hope Bay Mines Ltd. share trading was suspended 27Sep77 for 15 days by B.C. Sup't. of Brokers for failure to file financial statements.

T.R.V. Minerals Corporation and New Minex Resources Ltd. share trading and warrant trading will be suspended 29Sep77 because the companies have been unable to confirm the financial information published in connection with their proposed amalgamation. Brendex Resources Ltd.'s underwriter, Canarim Investment Corp., has exercised its option to buy 200,000 shs. at 20¢ each before the expiry on Oct. 24/77. A second option on 200,000 shs., being at 25¢ each, is good through 18Jan78.

New Aston Resources Inc. have extended by 30 days the option to buy 150,000 shs. at 45¢ each assigned to West Coast Securities Ltd. so that it is now good through Oct. 27/77.

Arcadia Explorations Ltd. shareholders' offering of 100,000 previously-issued Arcadia shs. by Robert J. Sansone & Riverside Investments Ltd., each as to 50%, has

Fort St. John, B.C., which opened three productive horizons. The formations are the: Blue Sky, Beldonnal and the most important the Cadomin sand which yielded 4,600,000 cu.ft. per day on test. The company purchased one joining section at the August Crown Sale for \$243,000, \$380 per acre. An offset well in 10-28 is now drilling but will also test deeper formations to 6,800 feet. The president expects to have two wells on production, under contract, by year end flowing 4,000,000 cu.ft. per day in which the company holds a 25% interest.

In the Eagle area, north of Fort St. John, B.C., Focus has acquired 10% interest in several leases which include three old wells favourable for re-completion attempts. In adjacent leases to those acquired there are seven oil wells producing between 120 and 270 barrels of oil per day. On the leases Focus acquired, there is one oil well producing 20 barrels per day from the same horizons which should have increased production on recompletion.

A second lease area which the president finds interesting is in the Stoddart area of B.C. where Scurry Rainbow has recently completed seven successful oil wells. On the Focus lease there is an abandoned well, drilled and tested seven years ago at 440,000 cu.ft. per day. The well will be recompleted and could produce 1,500,000 to 2,000,000 cu.ft. per day.

One well is to be drilled in each of the Fireweed, Boundary Lake and Yoyo field leases as quickly as possible, the drill rig, under exclusive contract to Focus, will proceed from lease to lease as the wells are completed. Current plans call for completion of eight or nine new wells in B.C. by Feb. 1978. Each will be within three miles of gathering facilities and will be placed on production, cash flow, as quickly as possible.

There are three wells currently drilling in Alberta with plans for six to 10 additional wells to be started by year end, depending upon rig availability.

Mr. Uptis pointed out that, as conditions permit, the company will carry out additional financing in whatever form advisable. He also stated that the corporate emphasis in the near future will be the acquisition and testing of new prospects with development drilling left to a later date when the cash flow has been firmly established. (See GCNL NO. 134, page 1, July 13, 1977, for review of company history).

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COLBY MINES LTD.
FORMAL CONTRACT COMPLETED - Colby Mines Ltd. has reported that formal exploration agreement has been completed by Union Oil Company of Canada Limited and Colby Mines Ltd. covering the Kingfisher Creek lead-zinc property, located 40 miles northeast of Vernon, B.C. The preliminary agreement was completed several months ago and Union Oil crews have been at work on the ground through the current field season.

Exploration by Colby Mines over the past several years located a number of areas of mineralization where additional work had been recommended.

THUNDERWOOD EXPLORATIONS LTD.
PROGRESS REPORT ON KEY LAKE - Work is in progress by Denison Mines Limited on Thunderwoods SASKATCHEWAN URANIUM PROPERTY 3 mining concessions in the Karen Lake Dome area near Key Lake, Saskatchewan. The properties are under option to Denison Mines Limited which may earn a 70% interest in Thunderwood's interest in the properties.

C.D. Robbins, president of Thunderwood Explorations Ltd., has reported geophysical work consisting of airborne magnetometer and EM surveys has succeeded in outlining the contours of the Karen Lake Dome, and surface work was initiated on the 1st of August and is continuing. The purpose of the surface work is to map the area geologically to take scintillometer and spectrometer readings, and to check and sample all of the uranium showings on the ground.

Several strong EM conductors were indicated on the Thunderwood ground by the airborne geophysical surveys. These will be checked by detailed ground EM surveys.

FOR THE RECORD

Coast Interior Ventures Ltd. president W. Chaput has reported that Rio Tinto Canadian Exploration Ltd. is continuing backhoe trenching and appears to be satisfied with the "very encouraging results" on the 39 claim property located 18 miles out of Barkerville, B.C., in the area of Upper Cunningham Creek-Antler Creek. (No detail of the results were reported by Mr. Chaput).

Centpac Development Inc. shares were suspended from trading on the Vancouver Stock Exchange effective Oct. 3/77 for failure to maintain transfer facilities.

Welcome North Mines Ltd. received \$43,306 in the 6 months ended 30 Jun 77, by way of property option payments of \$12,070 and exploration expenses recovered in the amount of \$31,236. Applied were \$241,430 being all on exploration, development & administration save for \$1,463 on the purchase of fixed assets. Welcome North had working capital of \$275,240 at 30 Jun 77.

COLBY MINES LTD.

EARLY DIAMOND DRILLING WILL TEST - Zinc of good grade in a large tonnage deposit amenable
GOOD GRADE SURFACE SHOWING AND to open pit mining is the potential suggested by preliminary
LARGE AREA-HIGH GEOCHEMICAL ZINC examination of recent work on the Colby Mines Ltd.
Kingfisher Creek property. This large group of 120 claims covers an area six miles long by two miles wide. Easily accessible by less than one hour's drive over good roads from Vernon, B.C., the property lies 20 miles east of Enderby, some three miles west of Mable Lake.

Work has been continuous throughout the past year on the Kingfisher property. In the Spring of 1974, after one year of preliminary work, Colby initiated plans to cut an 8,000 foot long base line over a series of ridges. This was followed by crosslines along which geological mapping, geochemical and magnetometer survey work have been conducted. This phase of the work has covered in excess of 60,000 feet of base and cross lines. The geochemical survey work located a large anomalous area, in excess of 3,000 feet long by some 700 to 1,000 feet wide. The presence of good grade zinc in the zones has been confirmed by rock samples taken from outcrops and from trenches opened by blast holes.

Colby's consultant, E.O.Chisholm, P.Eng., reported at the annual meeting that the property covers a portion of the regional geological structure known as the Kootenay Arc. This 200 mile long, predominately limestone structure outcrops around the Nelson Batholith. The Kootenay Arc contains such mines as Cominco's Blue Bell, and H.B.; Reeves-MacDonald, the Jersey mine, near Salmo and the old producers in the area around Ferguson. These are on the east side of the Nelson Batholith. On the west side is the Monashee limestone belt. Lead-zinc-silver mineralization has long been known in the Monashee limestones, but most deposits developed to date are in remote areas difficult of access. The Colby mineralization is the first with good potential to be explored in an area of good access.

The recently exposed mineralization, in a series of trenches on the Central Zone, is replacement zinc, Black Jack, marmatite, sphalerite in what is called the Hamill-Badshoot member of the limestone belt. The limestone is altered, metamorphosed, marbleized, recrystallized, coarse grained.

The recent discoveries are of increased importance first because the grades are considerably higher, in the 10% zinc range, while previous values obtained on the property were in the 4-8% range and second, because the mineral is in the marbleized limestone rather than in the quartzite host rock of the earlier mineralization.

The recent showings, all in limestone, are in: the Central Zone where blast trenches over a north south distance of 1,100 feet and an east west distance of some 200 feet have exposed the higher grade material; the Twelve Mile showing where one trench uncovered similar grades; and the Eight Mile showing where four blast trenches or pits over 600 feet located zinc.

The Central zone was first located by a soil sampling survey, then confirmed by a magnetometer survey and geological mapping followed by blast trenching. A grid map of the Central Zone forms part of a current progress report to Colby shareholders. A number of good zinc showings are located on the map within extensive areas in which zinc comprises over 2000 parts per million in the geochemical samples taken. Within these areas are several zones exceeding 7,000 p.p.m. zinc.

The present program includes detail soil sampling, magnetometer survey and mapping of the Twelve Mile and Eight Mile showing areas. Diamond Drill testing of the Central Zone is planned to start in the next few weeks when the present programs in the Eight and Twelve Mile showings are completed.

As at Oct.31,1974, Colby's working capital was \$305,000 ample to conduct the 20,000 feet of exploratory diamond drilling recommended by the consultant.

COLBY MINES LTD.

DIAMOND DRILL PROGRAM NOW UNDERWAY ON VERNON ZINC SHOW - Drilling of a series of short diamond drill holes on a grid pattern has started on the Kingfisher Creek, zinc property of Colby Mines Ltd. located near Mable Lake, 20 miles east of Enderby, B.C. At last report several holes had been completed and each encountered zinc mineralization in marbleized limestone. The cores are expected to be split and submitted for assay in the next week with assay results to follow.

VESTOR EXPLORATIONS LTD.

GRANBY TO CONTINUE EXPLORATION AT CARMÍ - The Granby Mining Company Limited is continuing its option on Vestor's molybdenum property at Carmi, 50 miles southeast of Kelowna, in the Okanagan Valley, B.C. The agreement is a basic 60-40% contract on the 170 claims, with an interest retained in 4 claims by Kennco.

In the second phase, Granby undertakes to pay the prospectors \$15,000 by Jan.1, 1975, and has the option to expend a further \$100,000 by 31 July 75, including a \$25,000 payment to Vestor by that date. In the first phase, Granby spent \$100,000 including \$45,000 payment to Vestor.

Forty percussion holes have now been completed on the property. They are concentrated in two areas, the Central 'E' zone and the new western 'Lake' zone, where current work indicates significantly larger overall tonnage potential. Granby has drilled 11,780 feet to date. None of the holes are deeper than 400 feet, which is the limit of the percussion rig.

In the Lake Zone, only No.17 was drilled prior to the Granby contract. Assays from No.33,32 are in the table below and results from 34 to 40 are awaited. Initial indications are that this new Lake Zone could be even more important in size and grade than the "E" Zone.

A.Rich, P.Geol., Vestor president, says regarding assay result that owing to the nature of the molybdenum at Carmi it is generally found that percussion drill assays tend to be low and in a number of cases significantly lower than diamond drill cores from the same area.

Total Mineralized				Grade	Total Mineralized				Grade
Hole	Depth	Intersection	Length	% MoS2	Hole	Depth	Intersection	Length	% MoS2
<u>'E' Zone</u>									
P 1	100ft.	4-100	96 ft.	0.08	P24	350	80-200	120 ft.	0.03
	incl.	30- 50	20	0.20	P27	390	280-390*	110	0.03
P 4	300	40- 70	30	0.06	P29	350	20-160	140	0.03
P 6	300	30-130	100	0.04			160-350*	190	0.09
P 7	100	6-100	94	0.10	P30	350	0-350*	350	0.03
P 9	400	52-400*	348	0.06	P31	400	200-300	100	0.03
P11	360	260-320	60	0.11	<u>Lake Zone</u>				
P13	400	30-400*	360	0.15	P32	150	20-150	130	0.17
	incl.	140-280	140	0.24		incl.	80-150	70	0.24
P18	400	40-400	360	0.06	P33	400	20-400*	380	0.18
P22	400	20-400	380	0.03		incl.	20-200	180	0.26
P23	350	100-350	250	0.16	*Hole terminated in mineralization. All Vertical Holes.				

