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GCNL #231 29NOV1983 92I/2W (092ISE035)

CRAIGMONT MINES LIMITED

YEAR TO OCTOBER 31	1983	1982
Revenue	$1,632,000	$8,734,000
Net Earnings	467,000	604,000
-Per Share	9¢	12¢

Craigmont Mines Limited's last copper concentrate was produced and sold in the year ended Oct31/82. Earnings in the year ended Oct31/83 were generated primarily from the sale of stockpiled iron concentrate, the disposal of equipment and a lesser extent, from interest income.

GCNL #163 23AUG1984 92I/2W (092ISE035)

CRAIGMONT MINES LIMITED (CRI-V)

9 MONTHS ENDED 31 JULY	1984	1983
Revenue	$2,294,000	$997,000
Net Earnings	989,000	$280,000
Per Share	19¢	6¢

MOST ASSETS ARE YET TO BE SOLD

Craigmont Mines Limited management note that revenues in 1984 have been generated principally by sales of iron concentrate and equipment and materials. Since mining of copper ceased in 1982 Craigmont's primary source of income has been from the sale of such assets which has been proceeding slowly in a poor economic climate. About 85% of the property, buildings and equipment and 90% of the iron concentrate remain to be sold. No sales of oil and gas assets have taken place to this date.

GCNL #228 27NOV1984 92I/2W (092ISE035)

CRAIGMONT MINES LIMITED (CRI-V,T)

YEAR ENDED OCTOBER 31	1984	1983
Revenue	$3,609,000	$1,832,000
Net Earnings	$1,313,000	$ 467,000
Per Share	26¢	9¢

IRON CONCENTRATE & OIL/GAS SALES IMPROVED SIGNIFICANTLY

Shipments of iron concentrate by Craigmont Mines Limited in the year ended Oct 31/84 increased 130% as a result of improved market conditions and the start of regular deliveries to coal producers in northern B.C. Oil and gas income more than doubled due to higher gas sales, while net proceeds from disposal of equipment and materials rose marginally.

A 3-year option for the use and possible purchase of some of the buildings and land of the former plant site has been granted to an industrial firm. While exercise of the option could delay winding up the company by an additional four or more years, royalties of not less than $1,000,000 per year could be generated subsequent to exercise. Should the option holder buy these assets, the price could range from $3,500,000 to $12,000,000, depending on the size of its operation, and there would be no subsequent royalties.

Craigmont recently advertised the oil and gas interests with the intention of accepting the highest bid. A number of offers are presently being evaluated.

NO.44(1983)
MARCH 4,1983

GCNL #44 4MARCH1983

92I/2W (092ISE035)

CRAIGMONT MINES LIMITED

3 MONTHS ENDED 31 JANUARY	1982	1981
Revenue	$ 275,000	$3,223,000
Net Earnings (Loss)	(58,000)	191,000
Per Share	(1¢)	4¢
Working Capital	$5,822,000	$8,865,000

WINDING-UP AFTER ASSET SALE WILL BE PROPOSED

At their copper mine near Merritt, B.C., Craigmont Mines Limited ceased all mining and milling operations in December, 1982. Sales of the by-product iron concentrate, used as a cleaning medium for metallurgical coal, were at a low level reflecting the coal industry's current reduced activity. An improvement in sales is expected through the balance of 1983.

At their annual meeting on 27Jan83, shareholders authorized the directors to sell Craigmont's assets. The directors have indicated that when the assets have been sold they will recommend to the shareholders that Craigmont be wound up.

NMINER 10MAR1983

Craigmont loss

Craigmont Mines reports a loss of $58,000 or 1¢ per share for the three months ended Jan. 31, compared with net earnings of $191,000 or 4¢ per share for the same year-earlier quarter. Revenues in the two periods were $275,000 and $3,223,000, respectively.

All mining and milling operations at Craigmont's property near Merritt, B.C., ceased in December, 1982. Sales of iron concentrate, used as a cleaning medium for metallurgical coal, were at a low level during the past quarter, reflecting the coal industry's currently reduced activity. However, the company expects an improvement in sales through the balance of 1983.

At the recent annual meeting (N.M., Feb. 3/83), shareholders authorized directors to sell the company's assets. The directors have indicated that when the assets have been disposed of, they will recommend that Craigmont be wound up.

92I/2W

(092ISE035)

ıst 1983

MINING REVIEW MAG JULY/AUGUST 1983

92I/2W 092ISE035

Craigmont Mines Limited has reported a loss of $25,000 in the six months ended April 30, 1983 on revenues of $335,000.

The company said income was mainly derived from interest and oil and gas. Sales of stockpiled iron concentrate remained low during the period, but shipments have since increased significantly.

The sale of equipment and reclamation of surface areas are continuing.

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NMINER 30DEC82

Craigmont to begin liquidation process

~~Craigmont Mines says~~ all operations at its British Columbia mine, with the exception of the continuing sale of iron concentrate, will terminate by Dec. 31, following which it is the intention of directors to begin the process of liquidating the assets. Processing of copper ore ended in March, and milling of the coarse iron to media grade quality will be completed this month.

Production of iron concentrate is well in excess of market requirements and a stockpile of approximately 600,000 tons will remain to be sold when processing is complete, President A. J. Petrina says in the annual report. Deliveries of iron concentrate in fiscal 1982 were 39,300 tons, up from 35,500 tons in 1981, but there may be a reduction in demand in the current year.

"The liquidation will be timed with the objective of obtaining fair prices and it is, therefore, difficult to predict either the final value of the assets or the length of time which will be required to dispose of them," Mr. Petrina says. "In addition to the stockpile of iron concentrate, the assets to be sold include buildings, plant, equipment and parts inventory, oil and gas and other mineral properties. When all assets have been liquidated, the directors will recommend to shareholders that the company be wound up."

As previously reported (N.M., Nov. 25/82), Craigmont had net earnings of $604,000 or 12¢ per share for the year ended Oct. 31, compared with $1,037,000 or 20¢ per share for fiscal 1981.

92I/2W
(092ISE035)

92I/2W (092ISE035)
~~NMINER~~ 10FEB1983

Craigmont profitable despite closure

VANCOUVER — Craigmont Mines, this province's oldest operating copper producer, continued profitable through 1982 and should return a "very small profit in 1983," A. J. Petrina, president, told the annual meeting.

As reported earlier, net earnings for the year ended Oct. 31, 1982 amounted to $604,000 or 12¢ per share (down from approximately $1 million in 1981) which he noted reflected "the end of copper production" last March.

Pointing out the company has about 600,000 tons of stockpiled media grade iron concentrate at the mine, Mr. Petrina said he hoped sales would increase to 45,000 tons in the new year but cautioned this will largely depend on the situation in the coal industry, the prime market for this product.

Because Craigmont no longer has any significant income against which it can shelter exploration expenses, the company added that all exploration work was being wound down.

In 1982, dividends were 80¢ a share and totalled $4.1 million or $3.4 million more than earnings and Mr. Petrina explained that Craigmont will maintain dividends at as high a level as earnings will allow.

Regarding the sale of company assets, he cautioned that poor market conditions would preclude an early sale of these assets and announced "our present intention is to hold an auction this summer."

Acknowledging the contribution mine employees and the United Steelworkers made to reduce the negative impact of the mine closure on Merritt, Mr. Petrina used their efforts as an example "of the kind of labor/management cooperation that can be achieved in this province."

92I/2W 092ISE035
NMINER 25NOV82

Craigmont closing will leave inventory

Craigmont Mines had net earnings of $604,000 or 12¢ per share on revenues of $9,355,000 in the fiscal year ended Oct. 31. This compares with net earnings in 1981 of $1,037,000 or 20¢ per share on revenues of $13,971,000.

Craigmont's president, A. J. Petrina, said, "with the last copper concentrate produced and shipped in the early part of the year, sales revenue for 1982 was significantly lower." He said earnings were also affected by costs of approximately $1,200,000 related to mine closure.

Operations at Craigmont's mine near Merritt, B.C., will end in December when milling of its stockpiled coarse iron byproduct to medi-grade quality will be completed. Production of iron concentrate is well in excess of market requirements and an inventory of approximately 600,000 tons will remain to be sold, the company said.

NO.231(1982)
DECEMBER 2,1982

GCNL #231 2DEC82

CRAIGMONT MINES LIMITED 92I/2W 092ISE035

YEAR ENDED 31 OCTOBER	1982	1981
Concentrate Sales, Copper	$6,473,000	$11,767,000
Iron	2,010,000	1,324,000
Interest & Other Income	867,000	880,000
Total Revenue	9,355,000	13,971,000
Cash Flow	814,000	1,230,000
Net Earnings (Loss)	$ 604,000	$ 1,037,000
-Per Share	12¢	20¢
Working Capital	$6,247,000	$ 9,668,000

A.J. Petrina, president of Craigmont Mines Limited, reports that, with the last copper concentrate produced and shipped in the early part of the year, sales revenue in the first 9 months 1982 was significantly lower than in that period in 1981. Earnings were also affected by costs of some $1,200,000 related to mine closure.

Operations will end in December when milling of the coarse iron to media grade quality will be completed. Production of iron concentrate is well in excess of market requirements and a stockpile of about 600,000 tons will remain to be sold.

NMINER
26 AUG 82

Craigmont stockpile will remain for sale

VANCOUVER – Craigmont Mines reports net earnings for the nine months ended July 31, of $818,000, or 16¢ per share, on revenues of $8,615,000, compared with earnings of $919,000 or 18¢ a share, on revenues of $11,060,000, in the same period of 1981.

Craigmont president A. J. Petrina says that production of copper concentrate ended in March following exhaustion of ore reserves, and the last sale of copper concentrate was completed during the third quarter. He said that since March the company has been processing stockpiled coarse iron, exclusively.

Sales of iron concentrate increased to $1,464,000 in the nine months, but Mr. Petrina notes that production exceeds market requirements, and a substantial stockpile will remain to be sold after processing is completed in December of this year.

The process of shutting down the mine has continued, with reclamation and revegetation of surface sites under way.

The Craigmont president commented that dividends of 60¢ per share, paid to date in the current fiscal year, have been "substantially in excess" of earnings.

92I/2W
092ISE035

NO.225(1982)
NOVEMBER 24, 1982,

GCNL #225 24NOV82 **CRAIGMONT MINES LIMITED** 92I/2W 092ISE035

YEAR ENDED OCT.31,	1982	1981
Revenue	$9,355,000	$13,971,000
Net Earnings	604,000	1,037,000
Per Share	12¢	20¢

MINE OPERATIONS WILL CEASE IN DECEMBER

In presenting comparative results for this fiscal year ended Oct3./82, president A.J.Petrina reports, "With the last copper concentrate produced and shipped in the early part of the year, sales revenue for 1982 was significantly lower." He said earnings were also affected by costs of about $1,200,000 related to mine closure.

Operations at Craigmont's mine near Merritt, B.C., will end in December when milling of its stockpiled coarse iron by-product to media grade quality will be completed. Production of iron concentrate is well in excess of market requirements and an inventory of approximately 600,000 tons will remain to be sold.

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WMINER APR82

CRAIGMONT MINES LIMITED
Earnings ~~for the quarter~~ ended 31 Jan 1982 were $191,000 or 4¢/share compared to $472,000 or 9¢/share for the same period in 1981. The last copper ore was mined in February and the mill is presently being converted to process the coarse iron stockpile into media grade iron concentrate.

92I/2W
092ISE035

NO.97(1982)
MAY 20, 1982

GCNL #97 20MAY82 CRAIGMONT MINES LIMITED 92I/2W 092ISE035

6 MONTHS ENDED 30APRIL	1982	1981
Revenue	$7,073,000	$4,824,000
Net Earnings	$518,000	$135,000
-Per Share	10¢	3¢

Craigmont Mines Limited's increase in earnings in their fiscal year's first half ended 30Apr82 compared with the like prior period is primarily attributed by management to increased iron concentrate sales. Milling of copper ore was completed on March 23 although sales of copper concentrate from inventory continued. Sales in the 6 months were 17,400 tons compared to 11,000 tons in the same period of 1981. However, earnings did not benefit from the greater volume of copper concentrate sales as the copper price declined substantially.

The mill was converted to the exclusive processing of the coarse iron stockpile by the end of March. At the current treatment rate, it is estimated that the coarse iron will be completely processed by December, 1982. Craigmont said underground workings have been dismantled and sealed. Reclamation is proceeding. Surplus equipment and material are being prepared for sale.

NMINER 10JUNE82

Craigmont Mines reports net earnings for the six months ended April 30, 1982 of $518,000 or 10¢ per share on revenues of $7,073,000. This compares with net earnings of $135,000 or 3¢ per share on revenues of $4,824,000 in the same period of 1981.

Craigmont said the increase in earnings is primarily attributable to increased iron concentrate sales. Milling of copper ore was completed on March 23 although sales of copper concentrate from inventory continued.

92I/2W
092ISE035

APRIL 29, 1982

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N MINER 29 APR 82

Placer earnings buffered by Zinor cutbacks suggest decrease in 1982

VANCOUVER — Placer Development reports consolidated net earnings for 1981 amounting to $48.9 million or $1.37 per share compared to $89.4 million or $2.52 per share the previous year.

The company cautions in the annual report, however, that a substantial portion of the latest earnings "represents our share of the non-operating gains of $27.6 million from Zinor Holdings' sale of Noranda shares and Noranda's sale of treasury shares to Brascade Resources, and from Noranda's unusual net gain on the sale and writedown of investments."

According to C. Allen Born, president and chief executive officer, the effect of poorer metal prices resulted in nominal operating losses at Gibraltar and at Marcopper in the Philippines, but Placer's newest mine, Equity Silver (70% interest), managed a first-year operating profit of $9.9 million.

The Endako Mines division (Canada's largest molybdenum producer) contributed the lion's share of revenues at $82.3 million with net earnings of $21.7 million. The picture this year will be somewhat worse, with throughput cut back 70% and a shutdown announced for 13 weeks beginning June 5.

Placer has a year's supply of molybdenum inventory and other producers including Amax, the world's biggest supplier, are having similar problems finding markets for the metal.

This will probably be the last year Craigmont Mines contributes towards earnings since depletion of reserves there will lead to its closure this November. Net earnings totalled $1.04 million, down from $7.1 million (including a $1.5-million extraordinary gain) the year before.

Revenues continued to increase in the oil and gas division "while cash flow and net earnings decreased due to higher taxation under the National Energy Program," admits Placer. As a result the focus of this year's exploration program will move to the U.S. "where better markets and prices exist."

Crude oil and condensate production increased 11% over last year but natural gas dropped by 19%. The division's net earnings plummeted to $1.9 million from $4.9 million in 1980, largely the result of the factors mentioned.

Offsetting the Craigmont closure, two new mines will be coming on stream — one, the Real de Angeles in Mexico is scheduled for mid-1982, while the Golden Sunlight in Montana should be ready in mid-1983.

Placer has a 34% interest in the Mexican open pit mine which, at seven million ounces silver annually, will be one of the world's largest silver producers.

Under development at a cost of $US88 million, the Golden Sunlight anticipates yearly gold production of 72,300 troy ounces.

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THE NORTHERN MINER February 11, 1982

FEB 11/82 NMINER

92I/2W 092ISE035

Last ton should show profit for Craigmont

VANCOUVER — The last ton of ore going through the Craigmont mill late this year will probably show a profit, according to A. J. Petrina, president — a fitting tribute to the mine which led this province's re-emergence as a major copper-producing region over two decades ago.

Addressing the annual meeting here, Mr. Petrina said Craigmont will probably have "a positive cash flow almost to the last day of operation."

Reflecting the continued success of the mine, Craigmont reported net earnings for fiscal 1981 of $1,037,000 or 20¢ per share compared to $5.52 million or $1.08 per share (before extraordinary items) one year earlier.

Lower milling rate and reduced copper prices will continue to have a negative effect on profitability again this year, he noted.

Exploration off the property will continue during the next few months, "but when there is no longer taxable income which can be offset by exploration expenses, this activity will cease," he said.

At present, Craigmont's assets consist of cash, real estate, plant and equipment, oil and gas interests, exploration prospects and stockpiled iron concentrate. The oil and gas properties will be sold "in the immediate future," he said.

Emphasizing the positive impact the mine had on the Merritt area and the province, Mr. Petrina expressed the opinion that all levels of government must take "greater pains to recognize the contribution that mining makes, when formulating policies on taxation and national objectives."

He added such regulations should be administered fairly and consistently — and this regulatory environment should ensure potential returns are in balance with the risk of developing a mineral venture. Another important concern for the future is the availability of skilled people to develop and operate new mines.

Mr. Petrina contends the government is the critical sector in the industry's future, one which is responsible for sometimes whimsical legislation, rule changing in mid-game or "on-again-off-again" legislation which constitutes an additional and unfair risk to the mine developer. Citing the fact that mature Canadian mines are subject to a maximum tax rate of 57% compared to 47% in manufacturing, he questioned whether it was the national goal to discourage mining.

With mine life nearly finished, Craigmont has been commended by elected officials, employees, suppliers and the local media for the way it's winding down its Merritt operation and "the absence of unpleasant surprises for those affected."

WMINER MARCH82

Craigmont's Mine life nearly finished

The last copper ore was mined at Craigmont mine on 16 Feb 1982. The mill is being converted for processing of the coarse iron stockpile into media grade iron concentrate. Production of iron concentrate will exceed market requirements and a substantial stockpile will remain to be sold after processing is completed in November 1982.

Exploration will continue off the property during the next few months but when there is no longer taxable income which can be offset by exploration expenses, this activity will cease.

Net earnings for the quarter ended 31 Jan 1982 of $191,000 compared to $472,000 in 1981, due to lower copper prices and reduced sales. All earnings were generated from sales of iron concentrates and interest income.

92I/2W

092ISE035

WMINER JAN82

CRAIGMONT MINES LIMITED

Earnings for the fiscal year ended 31 Oct 1981 were $1-million or 20¢/share on revenues of $14-million. This compares with 1980 earnings of $5.5-million or $1.08/share on revenues of $27.8-million before an extraordinary gain of $1.6-million.

Reserves of copper ore will be exhausted by January 1982 and once this ore has been processed the mill will be converted for processing of the coarse iron stockpile into media grade iron concentrate. By the end of 1982 all coarse iron will have been treated and production will cease.

92I/2W
092ISE035

JAN/FEB 82
MINING REVIEW

Craigmont Mines Limited has reported net earnings for the fiscal year ending October 31, 1981 of $1,037,000 or $0.20 per share on revenues of $13,971,000. This compares with net earnings in 1980 of $5,520,000 or $1.08 per share on revenues of $27,815 before an extraordinary gain of $1,558,000.

The company said a lower copper price and reduced sales of copper concentrate were primarily responsible for the deadline in earnings.

However, reserves of copper ore will be exhausted by the time you read this (diminishing ore reserves are responsible for the company's one-third decline in sales volume), and once this ore has been processed Craigmont will convert its mill for exclusive processing of the coarse iron stockpile into media grade iron concentrate. By the end of 1982 all of its coarse iron will have been treated and production will then cease.

Craigmont says its exploration program has not located a commercially viable mineral property, but added it would continue exploration into 1982.

92I/2W
092ISE035

No.20(1982)
JANUARY 29,1982

GCNL #20 29 JAN 82 CRAIGMONT MINES LIMITED 92I/2W 092ISE035

SOME HIGHLIGHTS FROM 20-YEAR MINE HISTORY REVIEWED TO ANNUAL MEEING - A.J.Petrina, president of Craigmont Mines Limited,told the annual meeting January 28,1982 that,after more than 20 years of operations, 1982 will be the final year of production at the mine, located near Merritt,B.C. It will achieve that most unusual goal in the world of business - - it will end as a success in that it ~~will~~ have a positive cash flow almost to the last day of operation.

Net earnings in the 1981 fiscal year were $1,037,000 or 20¢ per share, compared with 1980 earnings before an extraordinary item of $5,520,000 or $1.08 per share. The decline in earnings was due to the lower volume of copper ore milled, combined with lower world copper prices. The same factors will cause lower earnings in the first quarter of this year over the comparable quarter of 1981 when net earnings were $472,000 or 9¢ per share.

The milling of copper ore from Craigmont's underground operations is now just about completed. This ore has been processed simultaneously with coarse iron stockpiles since last March when surface stockpiles of copper ore were exhausted.

With the depletion of Craigmont's underground copper ore reserves, the mill will be converted to exclusive processing of the coarse iron stockpile into media grade iron concentrate, a task which will be completed during November 1982. This will mark the end of the final phase of the mine's operation. Exploration over the past several years has failed to add new ore to the mine's reserves and none of the off-property prospects has been sufficiently attractive to warrant development. Off-property exploration will be continued during the next few months, but when there is no longer taxable income which can be offset by exploration expenses, this activity will cease.

The end of milling operations in November will begin the process of disposing of the remaining assets of the company, and ultimately, distribution of cash to the shareholders. At present, those assets consist of cash, real estate, plant and equipment, oil and gas interests, exploration prospects and the stockpile of refined iron concentrate. The oil and gas properties are to be sold in the immediate future.

The president reviewed a little of the history of the mine. Craigmont was the mine which led B.C.'s re-emergence as a major copper producer. The early production of the 1800's having ceased to be significant by the 1950's. Craigmont was followed by a number of other large copper mines and B.C. now is a significant cource of mined copper for world markets.

Craigmont started B.C.'s first modern large-scale open pit mine, which turned out to be one of the most efficient pits in North America. Even in the early 1960's, the Craigmont pit was consistently able to mine at a rate of 50,000 tons a day and at costs which,to the president's knowledge, have never been equalled.

The same innovativeness led to the replacement of the completed open pit in 1967 by an underground mining system known as sublevel caving, a method developed in Sweden but before then unknown and untried in North America. Craigmont again led the way in underground mechanization using large, efficient diesel and hydraulic machinery, and even designed and developed its own new machinery for the specific needs of the orebody. The entire system worked well and,in terms of cost per pound of copper, equalled, and often surpassed the performance of many of the large surface mines.

Since mining commenced in 1961, Craigmont has produced over 892,000,000 pounds of copper, grossed $417,000,000 in sales and spent $8,000,000 on exploration. The company had net earnings over its lifetime of $115,000,000 and paid approximately $112,000,000 in wages to its employees. It will be of interest to shareholders that while they received $104,000,000 in dividends, various governments received $74,000,000 in taxes and royalties.

VOL. 67 NO. 44

N MINER 7 JAN 82

Full scale construction will begin at Placer Development's Golden Sunlight precious metals mine near Whitehall, Montana, in April, according to its U.S. subsidiary, Placer Amex. The first semi-refined gold should be produced by mid-1983. The $88-million mining operation is scheduled to yield 72,000 troy oz. gold annually.

The company reports that the Mineral Hill orebody will be mined over a period of 13 years, noting additional mineralization could be found at depth to warrant underground mining later. About 25.8 million tons of ore-grade material exist in the Mineral Hill orebody averaging 0.050 oz. gold per ton with an excellent stripping ratio of two to one.

Initially, mill capacity will be 5,000 tons per day. However, this may be increased once deeper and softer ore is encountered. Gold will be recovered by leaching and activated carbon, and Dore production (metallic gold with a small amount of silver and some impurities) will be processed at an off-site refinery.

The mine is only five miles from Interstate 90 and most employees will come from Whitehall.

Meanwhile Placer's 44.6% owned Craigmont Mines expects underground reserves at its Merritt, B.C., copper mine to be exhausted by February. A. J. Petrina, president, says the mill will then be converted for "exclusive processing of the coarse iron stockpile into media grade iron concentrate." This phase will involve a reduced staff of 35 and should last until November next year.

92I/2W 092ISE035

Despite the end of the mining operation, Craigmont continues to show a reasonable profit with net earnings for the fiscal year ended Oct. 31, 1981, of $1,037,000 or 20¢ per share compared to just over $5.5 million or $1.08 a year earlier. Four dividend payments made during the year totalled $1.40 per share, and he notes these were in excess of earnings for the second year in a row.

Craigmont will continue exploring in 1982, says Mr. Petrina, however it is gathered that the chances of finding anything at Merritt are remote. Further work is planned on the Falkland copper-silver prospect where erratic mineralization was encountered.

In the event the company is wound up, its assets would "substantially be sold and the proceeds distributed to shareholders on a prorata basis," he notes.

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GENL #224 24 NOV 81 CRAIGMONT MINES LIMITED 92I/2W 092ISE035

YEAR ENDED OCTOBER 31,	1981	1980
Revenue	$13,971,000	$27,815,000
Net Bef. Extra Item	1,037,000	5,520,000
Per Share	20¢	$1.08
Extraordinary Gain	-	1,558,000
Net Income	1,037,000	7,078,000
Per Share	20¢	$1.39

ORE DEPLETED. NO VIABLE PROPERTY LOCATED YET

The drop in revenue in earnings of Craigmont Mines Limited in their fiscal year ended Oct 31/81 is attributed by management mainly to a lower copper price and reduced sales of copper concentrate. The copper price averaged 81¢ U.S. per pound on the London Metal Exchange compared to $1.01 the year before. The one-third decline in sales volume is a result of diminishing ore reserves.

Reserves of copper ore will be exhausted by January 1982. When this ore has been processed Craigmont will convert their mill for exclusive processing of the coarse iron stock pile into media grade iron concentrate. All this will have been treated by the end of 1982. Production will then cease.

Management say Craigmont's exploration program has not located a commercially viable mineral property, but exploration will continue into 1982.

Placer Development Limited is the largest shareholder of Craigmont and exercises effective control.

NMINER 3 DEC 81

Craigmont earnings

VANCOUVER — **Craigmont Mines** had net earnings of $1,037,000 or 20¢ per share on revenues of $13,971,000 for the fiscal year ended Oct. 31. Net earnings last year were $5,520,000 or $1.08 per share on revenues of $27,815,000 before an extraordinary gain of $1,558,000 from the sale of 51,668 shares to **Placer Developments**.

It was the second straight year of lower earnings. The company attributed the decline primarily to lower copper prices and reduced sales of copper concentrate. The decline in sales volume is a result of diminishing ore reserves at the company's mine near Merritt, B.C.

Copper ore reserves will be exhausted by January, 1982, at which time Craigmont will convert its mill for exclusive processing of the coarse iron stockpile into media grade concentrate. By the end of 1982, the coarse iron will have been treated and production at the mine will cease.

92I/2W
092ISE035

GCNL #98 25 MAY 81

CRAIGMONT MINES LIMITED 92I/2W 092ISE035 F

6 MOS.ENDED APRIL 30,	1981	1980
Revenue	$4,824,000	$13,125,000
Net Earnings	$ 135,000	$ 2,726,000
Earnings Per Share	3¢	53¢

R.G.Duthie, president of Craigmont Mines Limited, said the decrease in earnings is primarily attributable to lower copper prices, which in the six months averaged U.S. 85¢ per pound on the London Metal Exchange compared to U.S. $1.07 in 1980. No copper sales were made in the second quarter due to the scheduling of shipments, leaving a concentrate inventory of 14,500 tons, the majority of which was shipped in early May. Investment income decreased as a result of lower cash balances and a reduction in the value of short-term investments.

Mr. Duthie said that, commencing in April, production of copper was significantly reduced because of depleting ore reserves. The concentrator is being maintained at full capacity by regrinding the coarse iron stockpile.

Dividends of 90¢ per share, paid to date in the 1981 fiscal year, were substantially in excess of earnings.

MINING REVIEW SEPT/OCT 1981

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Craigmont Mines Limited has reported net earnings for the nine months ended July 31, 1981 of $919,000 or $0.18 per share on revenues of $11,060,000. Net earnings in the same period of 1980, before an extraordinary gain, were $3,467,000 or $0.68 per share on revenues of $16,598,000. Including the extraordinary gain, net earnings in 1980 were $5,025,000 or $0.99 per share.

The reduction in earnings was primarily due to lower copper prices, which averaged U.S. $0.82 per pound on the London Metal Exchange, compared to U.S. $1.03 in 1980. The Company has noted its lower investment income reflected a decline in cash and short-term investments, mainly as a result of the payment of dividends which were significantly in excess of earnings.

While sales of copper concentrate in the current period were approximately equal to those in 1980, Craigmont said they will decline as ore reserves are exhausted and the mine nears the end of its life. This is already apparent in the production of copper in concentrate which has 2,000,000 pounds less in the third quarter of 1981 than in the second. Excess grinding capacity is being used to process the coarse iron stockpile.

92I/2W

092ISE035

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GCNL #246 22 DEC 80 CRAIGMONT MINES LIMITED 92I/2W 092ISE035

MINE LIFE EXTENDED - Craigmont Mines Limited have decided to treat their coarse iron stockpile which will extend the life of their mine at Merritt, B.C. The mine had been expected to close in mid-1981 due to depletion of ore reserves, but, by processing copper and iron simultaneously, underground mining may be extended until early 1982. The mill would then be converted to process only iron with final closure occurring by early 1983.

Craigmont report: "Studies have been undertaken as to the most appropriate way to treat the approximately 1,000,000 tons of low grade iron concentrate which is stockpiled at the mine. Initial indications were that this should be treated at the end of normal operations and because the facility would be too small to warrant continued operation by Craigmont, that it be sold. The new study considered whether it would be possible to extend mining operations beyond July, 1981 if there were simultaneous milling of copper ore and iron concentrates. Although copper production from that time would likely be only at a breakeven point, there are benefits to be derived from the immediate processing of all of the coarse iron stockpile. Accordingly, a decision has been made to continue operations in this manner until early in 1983 by which time all of the stockpiled coarse iron will have been processed into about 500,000 tons of saleable media grade iron concentrate."

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W.MINER (JAN 81)

Craigmont's life extended 92I/2W

The closure of Craigmont Mines Limited which had been expected in mid-1981 has been extended to 1983, following a decision to treat approximately one-million tons of low grade iron concentrate which is stockpiled at the mine. By processing copper and iron simultaneously, underground mining may be extended until early 1982. The mill will then be converted to process only iron, with final closure occurring by early 1983. The stockpiled coarse iron will be processed into about 500,000 tons of saleable media grade iron concentrate.

092I SE035

GCNL #26 6 FEB 81

CRAIGMONT MINES LIMITED COMET INDUSTRIES LTD. DAVENPORT INDUSTRIES LTD.
INITIAL DEVELOPERS LTD. PACIFIC SEADRIFT RESOURCES LTD.

EXPLORATION DEAL MADE ON COPPER CLAIMS AT KAMLOOPS - Craigmont Mines Limited have agreed to assess the commercial value of a group of claims and mining leases within the city limits of Kamloops, B.C., and close to the Afton mine. Craigmont will immediately start a drilling program so they may complete an evaluation of the claims now held by Comet Industries Ltd., Initial Developers Ltd., Davenport Industries Ltd., and Pacific Seadrift Resources Ltd. this year.

If the tonnage on these claims is found to be economic, Craigmont will earn 70% interest in a new company that would be formed. The other 30% being held by Comet, Initial, Davenport, and Pacific Seadrift. The new company would secure financing to place the properties in production and relocate Craigmont's mill to process the ore.

Craigmont operates a copper mine near Merritt, B.C., which, with exhaustion of its ore reserves, is scheduled to close in early 1983.

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92I/2W 092ISE035

GCNL #42 3 MAR 81 CRAIGMONT MINES LIMITED 92I/2W 092ISE035

QUARTER ENDED 31JANUARY	1981	1980
Revenues	$4,763,000	$7,680,000
Net Bef,Extra.Item	$472,000	$1,820,000
-Per Share	9¢	36¢
Extraordinary Gain	- -	$1,558,000
Net Earnings	$472,000	$3,378,000
-Per Share	9¢	67¢

R.G.Duthie, president of Craigmont Mines Limited, attributes the reduction in earnings in their fiscal year's first quarter to the lower price of copper which averaged 87¢ U.S. per pound on the London Metal Exchange compared to $1.04 U.S. per pound in the first quarter of 1980. The reduction was offset somewhat by a greater volume of concentrate sales. See GCNL 26(81) for some detail of an agreement to assess a copper property in Kamloops, B.C., that could enable Craigmont to continue operations following the scheduled closure in early 1983 of their copper mine at Merritt, B.C., when ore reserves there will be exhausted.

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GCNL #166 27-08-80 CRAIGMONT MINES LIMITED 92I/2W 092ISE035 F

NINE MONTHS ENDED 31JULY	1980	1979
Revenue	$16,598,000	$33,892,000
Net Bef.Extra.Item	3,467,000	8,772,000
Investment Sale Gain	1,558,000	- -
Net Earnings	$5,025,000	$8,772,000
-Per Share	99¢	$1.73

ESTIMATED MOLY RESERVES ON B.C. PROPERTY CALCULATED

R.G.Duthie, president of Craigmont Mines Limited, reports that the lower 9-month earnings this year than last were due to the reduction in shipments of copper concentrate from 72,000 tons in 1979 to 23,800 tons in the current period and the substantial decline in the grade of ore milled from 1.04% to 0.63% copper. As previously reported, the mine is nearing exhaustion of ore reserves. Partly offsetting these factors was an increase in the average price of copper on the London Metal Exchange from 83¢ U.S. to $1.03 U.S. per pound. On August 22 the price was 91¢ per pound.

Exploration of the Red Bird molybdenum property, 100 miles south of Smithers in central B.C. has continued through the 1980 season. The vendors had drilled 72 holes and Craigmont have drilled 53 more, to date, says Mr.Duthie. Preliminary studies indicate one zone containing an estimated 20,000,000 tons grading 0.21% MoS_2 plus 23,000,000 grading 0.13%. A second zone is estimated to contain 10,000,000 tons grading 0.20% . An estimated 12,000,000 tons at a grade of 0.20% MoS_2 in the first zone would be amenable to open pit mining. R

Development of the property would require access through a provincial park and the location indicates higher than average development and operating costs, says Mr.Duthie. Considerably more evaluation is required to establish its economic potential. Craigmont may, at the vendor's option, acquire either 51% participating interest in the property or full ownership subject to the vendors retaining a 25% carried interest.

092I/2W; 092ISE035

P **Craigmont earnings decline with falling ore reserves**

Ore reserves at Craigmont Mines' copper mine near Merritt, BC are nearing exhaustion. Lower shipments of copper concentrate and a substantial decline in the grade of ore milled resulted in reduced earnings for the nine months ended 31 July 1980.

The company reports a net profit of $5-million or 99¢)share, including an extraordinary gain of $1.6-million from the sale of its shares in Placer Development Limited. This compares to net earnings of $8.7-million or $1.73/share in the same period of 1979.

Exploration of the Red Bird molybdenum property, 100 miles south of Smithers, BC continued with a total of 53 holes being drilled. Some 72 holes had previously been drilled on the property.

Two mineralized zones have been indicated, one containing an estimated 20-million tons grading 0.21% MoS_2, and the second zone with an estimated

WESTERN MINER/OCT 80

10-million tons grading 0.2% MoS_2. Craigmont may, at the vendor's option, acquire either a 51% participating interest in the property, or full ownership subject to the vendors retaining a 25% carried interest.

GEORGE CROSS NEWS LETTER LTD. NO.225(1980) (Page Two) NOVEMBER 21,1980

CRAIGMONT MINES LIMITED 92I/2W 092ISE035 F, R

YEAR ENDED OCTOBER 31,	1980	1979
Revenue	$27,815,000	$41,744,000
Net Bef.Extra Item	6,520,000	10,387,000
Investment Sale Gain*	1,558,000	-
Net Earnings	$7,078,000	$10,387,000
Per Share	$1.39	$2.05

*Gain on sale of 51,668 shares of Placer Development.

ORE RESERVES & PROFIT DECLINE

Craigmont Mines Limited are nearing the end of their ore reserves with the result that they are milling a declining grade of ore. Concentrate sold in 1980 was 44,500 tons compared to 84,000 tons in 1979; the difference was due to the lower grade of ore and to inventory reduction in 1979. The lower grade also resulted in higher unit costs of production. An increase in the average price of copper on the London Metal Exchange from 85¢ U.S. per pound in 1979 to $1.01 in 1980 partially offset the above factors.

(5)

GCNL #99 23-05-79

CRAIGMONT MINES LIMITED 92I\2W 04849 092ISE034

6 MONTHS ENDED 30APRIL	1979	1978
Revenues	$25,824,000	$10,045,000
Net Earnings	$6,725,000	$1,320,000
Earnings Per Share	$1.32	24¢

REVENUE ROSE 2½-FOLD
PROFIT ROSE 5½-FOLD

The 2½-fold rise in first half revenue and the 5½-fold rise in earnings this year over last are attributed by R.G.Duthie, president of Craigmont Mines Limited, to a higher copper price and an increased premium on United States currency, coupled with a 39% increase in sales volume.

The average price of copper on the London Metal Exchange improved over the comparative period from 56¢ U.S. to 81¢ U.S. peaking at $1.00 U.S. per pound but has since declined to 87¢ U.S. per pound on 18May79. Mr.Duthie points out that the grade of ore milled continues to decline and production of copper will gradually diminish as ore reserves are exhausted. He estimates that the mine will close by the fall of 1980.

GCNL #109 06-06-79

CRAIGMONT MINES LIMITED 92I\2W 04849 092ISE034

6 MONTHS ENDED 30APRIL	1979	1978
Concentrate Sales	$25,051,000	$9,558,000
Interest & Other Income	773,000	487,000
Total Revenue	25,824,000	10,045,000
Cost of Concen. Sold	9,793,000	6,579,000
Depreciation & Depl'n.	67,000	63,000
General, Admin.Exp.	280,000	274,000
Exploration Expense	491,000	946,000
Income, Resource Taxes	8,468,000	953,000
Net Earnings	$6,725,000	$1,230,000
Earnings Per Share	$1.32	24¢
Dividends Per Share	40¢	40¢

PRODUCTION:6 MOS.TO 30APRIL	1979	1978
Ore Milled, Tons	1,023,000	1,023,000
-Average Daily, Tons	5,800	5,700
Copper Grade, %	1.1%	1.4%
Copper Recovery, %	87.4%	95.5%
Copper Conc.Produced, Tons	35,400	48,800
Conc.Grade Copper, %	28.3%	28.2%
Copper Produced, Pounds	20,025,000	27,542,000
Iron Concen.Produced, Tons	19,500	28,700
Copper Concentrate Sold,Tons	56,700	40,900
Av.L.M.E. Copper Price, U.S.¢	81¢	56¢

(Tons = Short Dry Tons)

Craigmont Mines Limited will pay a dividend of 30¢ per common share on 23July79, record 6Jul79.

92I/SE-34

□CRAIGMONT MINES LIMITED: Higher copper prices and the low value of the Canadian dollar contributed to improved earnings for the six months ended 30 April, 1979. Net earnings rose to $6,725,000 or $1.32/share, from $1,230,000 or 24c/share for the same period in 1978.

The grade of ore milled continues to decline and the operation is expected to close by the fall of 1980.

50 WESTERN MINER June 1979

GCNL #101 26-05-80

CRAIGMONT MINES LIMITED 92I\2W 092I SE035

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6 MONTHS ENDED 30APRIL	1980	1979
Revenues	$13,125,000	$25,824,000
Net Earnings	$4,284,000*	$6,725,000
-Per Share	84¢	$1.32

* Includes extraordinary gain of $1,558,000.

EARNINGS DROP AS
MINE CLOSING NEARS

Craigmont Mines Limited president R.G. Duthie says the decline in the earnings in this fiscal year's first half ended 30Apr80 compared with last year's first half was due mainly to reduced shipments and to a substantial decline, from 1.12% to 0.66%, in the grade of copper ore milled. The mine is nearing the end of its mineral reserves and the decrease in the grade of ore and the production of copper was anticipated. Partially offsetting the decline in shipments and grade was an increase in the average price of copper on the London Metal Exchange from 81¢ U.S. in 1979 to $1.07 per pound in 1980. On May 21 the L.M.E. copper price was 93¢ per pound.

The extraordinary gain shown in the table resulted from the sale of 51,668 Placer Development Limited shares bought several years ago as an investment.

Craigmont Mines operations extended

Recent studies indicate that operations at Craigmont Mines Limited, which had been scheduled to close in October due to the exhaustion of ore, can be extended. The company reports that mining will now continue until the fall of 1979 with the production of copper concentrate to continue into the first quarter of 1980.

If the new exploration ventures are not successful, shareholders were told at the annual meeting that the company would be wound-up and its assets sold. Its oil and gas interests could be sold for a moderate profit and the depreciated value of plant and equipment was estimated at $1.1-million. The magnetite stockpile would also provide a return to the shareholder.

Vice-president, A J Petrina, told shareholders that in the event of the company being wound-up, neither Noranda nor Placer Development would be taking over the assets. Neither company has indicated an interest in purchasing the assets or in buying the outstanding shares, he said.

Craigmont has also released additional results on the Chu Chua copper prospect near Barriere in south central British Columbia.

Craigmont holds an exploration agreement on the prospect and had completed 23 diamond drill holes prior to drilling being suspended by weather conditions in December 1978. Previous reports confirmed that 11 of the 23 holes

Chu Chua - 92P/8E; 92P-53; 04757

had encountered mineralization ranging from 0.75% to 4.14% copper.

A preliminary calculation indicates that the mineralized zone, which dips vertically and appears to plunge south at 40 degrees, contains approximately 2 000 000 metric tonnes, grading 2% copper, 0.4 gram per tonne gold, 8 grams per tonne silver and 0.4% zinc.

Although high grades of copper have been encountered, the presently indicated tonnage is insufficient for the deposit to be considered economic.

COPPERFIELDS MINING: The past year for Copperfields and its subsidiary, Teck Corporation was highlighted by completion of the Afton copper-gold mine and smelter near Kamloops, B.C.

Copperfield's earnings before extraordinary items for fiscal 1978 were $370,000, or 8c/share, down from $650,000 or 15c/share in 1977. The main reason is a $470,000 non-cash writedown recorded as a result of issuance by Teck Corporation of 444,444 shares when it acquired an interest in the Yukon Consolidated Gold Corporation.

For the first quarter ended 31 Dec 1978, consolidated earnings before ex-

Afton - 92I/10E
92I/NE-23
01890

traordinary items were $333,000, or 8c/share, compared to a loss of $86,000, or 2c share for the same period last year. This includes consolidated earnings of Teck Corporation which were $1,490,000, or 20c/share, up from 4c/share in the first quarter of 1978.

Exploration was carried out in fiscal 1978 on the St Honoré prospect adjoining the Niobec mine. Geochemical sampling and trenching was carried out on the Ecuador gold prospect and further work is required to fully evaluate this prospect.

(See WM, February 1979 for a review of 1978 activities of Teck Corporation.)

92I/2W.

92I/2W
92I/SE-34
04849

CRAIGMONT MINES LIMITED: The earnings improvement for the quarter ended 31 Jan 1979 was primarily due to improved copper prices, above average sales volume and the low value of the Canadian dollar.

Net earnings for the three months were $4,165,000 or 82¢/share, compared to $588,000 or 12¢/share in the same period in 1978.

A one-year collective agreement effective to 28 Jan 1980 was signed with Local 6523 of the United Steelworkers of America.

92I/14E.
06698

DENISON MINES LIMITED: The company has acquired the major potash and salt property near Salt Springs, New Brunswick, from International Minerals and Chemical Corporation.

It plans to begin sinking a mining shaft at Salt Springs and underground exploration and development phases will be carried out in 1979 and 1980. Development and construction work is scheduled for 1981-1982 at an estimated cost of $150-million.

W MINER APRIL 1979.

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Craigmont's options of interest to reader N. Miner Jan 18/79

With the announcement of the closing of the Craigmont mine in July, 1979, what are the possible directions for the company? Do you envision a breakup of the company, or it becoming a holding company, etc.? Your opinions would be welcomed.

92I/2W D.F., Winona, Minn.

Underground mining at the Merrit area, B.C., copper mine of Craigmont Mines is scheduled to end in July, 1979, with concentrate production continuing until the end of October, 1979.

A winding up of the company following the termination of all negotiations is a distinct possibility and, indeed, is one direction underlined by Craigmont president, R. G. Duthie.

Addressing the 1978 annual meeting of Craigmont shareholders, Mr. Duthie remarked that the company may eventually have to consider winding up if new mineral prospects of merit are not located.

Our feeling is that Craigmont, although disappointed to some extent by the absence of mineral discoveries from its exploration efforts in recent years, will more likely "hang in" there for some time yet in pursuing active exploration on its own or as a participant in joint venture projects. These projects are as likely to be in the oil-gas sector as in the metals' field.

For a company that started 1978 with a working capital of more than [illegible] million (equal to about [illegible] per common share issued), Craigmont's outside exploration spending is fairly conservative. In 1977, for example, outside exploration costs amounted to $432,000, up from $270,000 in 1976. An initial budget of $250,000 was approved for outside exploration spending in 1978.

For mineral exploration, these annual spending rates are modest. However, we should point out that the quality of exploration, and of the properties examined, is the important yardstick. Craigmont has reported encouragement from work on a copper prospect near Barriere, B.C. Exploration will resume there in 1979.

Before moving from the exploration issue, it should also be noted that Craigmont has spent heavily on in-property exploration at the mine location over the past two years. This program, from reports we have to date, has not significantly improved the mine life picture.

Other possibilities for Craigmont? With a strong cash position, the company would normally be a takeover target. However, 44.6% of the issued stock is held by **Placer Development** and another 19.7% is held by **Noranda Mines** which, in turn, owns 31.5% of Placer.

The recent trend with Noranda Group companies has been towards consolidation or mergers (Mattagami Lake, Orchan Mines and Noranda Mines are examples).

Of course, Craigmont could continue as a separate entity, acquiring outright, or in partnership with others, revenue-producing interests while maintaining active exploration. At this stage, you really can take your pick of likely future directions for the company.

92I/SE-34 (4849)

N. Miner Jan 25/79 p.9

Craigmont operation gets life extended 92I/SE-34

VANCOUVER — Operations at Craigmont Mines' copper property near Merritt, scheduled to close in October due to exhaustion of ore, have been extended. Recent studies have shown that mining can continue until the fall of 1979 with production of concentrate continuing into the first quarter of 1980.

The company has also released additional results from drilling on the Chu Chua copper prospect near Barriere on which it has an exploration agreement. According to a company spokesman, although high grades have been encountered, the presently indicated tonnage is insufficient for the deposit to be considered economic.

92P/8

Drilling on the prospect was suspended in December due to weather conditions. At that time 23 holes had been completed. Eleven of these encountered mineralization ranging from 0.75% to 4.14% copper (N.M., Dec. 28, 1978).

Hole No. 20 gave [illegible] copper from [illegible] metres and Hole No. 21 gave [illegible] from 192.5 to 214.4 metres.

A preliminary calculation indicates that the mineralized zone, which dips vertically and appears to plunge south at 40 degrees, contains about two million metric tonnes, grading 2% copper, 0.4 grams gold per tonne, eight grams silver and 0.4% zinc.

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92I/2W
04849
92I/SE-34

N. Miner Jan. 4/79

Craigmont mine shows better profit but producing life is limited

VANCOUVER — With a little better prices received for copper as well as other improvements in its operations, Craigmont Mines in its fiscal year ended Oct. 31, 1978, was able to record a net profit of $3,572,000, or 70¢ per share. This was a 51.4% increase over the net of $2,359,000, or 46¢ per share, earned the previous year.

However, as previously reported (N.M., Nov. 30, 1978), the company's annual report points out that all mining operations will cease in October, 1979. At that time, it is estimated that there will be about 1,000,000 tons of stockpiled low grade iron concentrate on hand, or enough to supply existing customers for another 15 years. Production of iron concentrate in fiscal 1978 was 47,500 tons, up from 42,200 tons in 1977.

At Oct. 31, 1978, ore reserves were estimated to be 2,312,000 tons grading 1.40% copper.

An exploration program [illegible] drilling, geophysical surveys and geological mapping in areas adjacent to the mine. There were no indications of additional ore.

Exploration expenditures in the Yukon were $303,000, down from $432,000 in 1977. Work has stopped for the winter on an optioned copper prospect near Barriere, B.C. Some encouraging results have been obtained from initial drilling.

Fourteen prospects in the Shuswap area were examined during the year and three were optioned for further investigation. An initial budget of $375,000 has been approved for continuation of this program in 1979.

Craigmont's oil and gas interests, amounting to 30,900 net acres, were maintained during the past year and drilling has resulted in two potential producing wells and seven dry holes. Work will continue in 1979.

Mining operations during the year produced 1,695,000 tons of ore compared to 1,529,000 tons in fiscal 1977. A total of 396,000 tons of low grade material was drawn from the open pit stockpile to maintain concentrator throughput, President R.G. Duthies states.

The concentrator processed 2,102,000 tons of ore averaging 1.38% copper, compared to 2,050,000 tons at 1.17% copper last year. The daily average throughput was 5,800 tons, up from 5,600 tons in 1977. Concentrate produced totalled 94,200 tons containing 53,813,000 lb. copper, an improvement from the 81,000 tons of concentrate produced last year containing 45,315,000 lb. copper.

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Craigmont: Mill, shops, and office area

921SE035-(2W)

Craigmont

Starting as an open pit operation, the Craigmont mine, in south-central British Columbia, now produces copper ore from underground. The mine has developed interesting techniques and equipment to deal with the particular problems of the mining activity

The Craigmont property in south-central British Columbia is about ten miles from Merritt and 120 miles northeast of Vancouver. Elevations range from 1850ft at the Nicola River, 2400ft at the plant site, 4450ft at the west end of the open pit area, to 5600ft at the top of Promontory Hill. The area is dry, with annual precipitation of about 13in (higher in the upper slopes); temperatures range from about −30C to 39C.

The chalcopyrite magnetite-specularite orebodies have a combined strike length of about 2800ft and extend over a vertical distance of 2000ft. The orebodies lie in steeply south-dipping Triassic Nicola Group rocks which parallel the east-west contact of the south end of the Jurassic Guichon Batholith. Near the mine, outcrop exposure is about 10%. None of the orebodies were exposed at surface, but were covered either by a thin layer of glacial till or Cretaceous Kingsvale Volcanic rocks.

Ore reserves at the end of 1975 at a cut-off grade of 0.7% were 7,026,000 tons at an average grade of 1.83% copper. This tonnage is sufficient to sustain operations on the present scale for three or four years. On-property exploration over several years has not proven commercial quantities of new ore.

After some early work in or before 1935, Craigmont Mines was incorporated in 1946. After various investigations, diamond drilling in 1957 indicated an extensive zone of copper mineralization. Canadian Exploration Ltd directed and financed exploration from November 1957 to July 1958, when underground development was undertaken by a group, Birkett Creek Mine Operators Ltd, formed by Canadian Exploration, Noranda Mines, and Peerless Oil and Gas Co. Though Birkett was dissolved in 1960, the same interests now operate the mine as Craigmont Mines Ltd under the management of Placer Development, parent of Canadian Exploration (now Canex Placer).

MINE OPERATION

Since start of operations in 1961 to 31 May 1976 the Craigmont concentrator has processed 25,686,000 tons of ore grading 1.41% copper. A total of 1,226,150 tons of copper concentrate, containing over 344,500 tons of copper, has been shipped.

Open pit mining: The open pit operated from March 1961 to March 1967. A contractor handled overburden (11,017,180 tons) and rock (3,451,472 tons), while Craigmont handled 72,989,369 tons of ore and waste for a total of 87,458,021 tons. A total of 6,922,907 tons grading 1.81% copper was hauled directly to the primary crusher.

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When the pit was completed, 7,066,090 tons of ore grading 0.77% copper had been stockpiled. This material is blended with underground ore as feed to the concentrator, as required.

Underground mining

Exploration, development, and production started underground while the open pit was operating. Experiments with mining methods were carried out, and ground support proved to be a major problem. In 1965, after studying operations in Sweden, it was decided to adopt sublevel caving methods at Craigmont.

It was decided to use large diesel equipment despite higher mechanical maintenance, ventilation, and drift maintenance, compared with the use of smaller air equipment. Because of the poor ground conditions, installation and maintenance of ore passes are high cost items; shotcreting is used extensively.

Equipment used includes ten ST5 Scooptrams and one 20-ton truck of Craigmont design based on the ST5.

The Craigmont production and maintenance departments are noted for the innovations they have made to equipment to meet local needs. Some of this work was discussed in *Western Miner* (WM July'75 p9-16).

Development jumbos, fan drills, and jumbos for hole cleaning and rebar hole drilling are Gardner-Denver and Atlas Copco units, but several of them modified; for example by mounting on John Deere 440 timber skidders fitted with Deutz engines. The skidders are tough articulated units which have served their logging life but which make a strong base for readily-mobile drill and other equipment.

There are eight custom-built service vehicles consisting of boxes or decks mounted on the JD 440 chassis and fitted with Deutz or Mercedes Benz motors. Three are used for shotcreting and pipefitting, one for development blasting, two with hydraulic lift decks for production blasting, two with hydraulic lift decks for timbering.

There are four Unimog service vehicles and five model H True Gun-all trailers. Some access is by rail on which there operate various locomotives, 32 Granby cars (256ft^3) and four cars for sand supplies (90ft^3).

Development and production

It is not possible here to give a detailed account of the operating conditions and procedures, though these have been described in an interesting account by the Craigmont staff. Some of the main points are summarized here.

Waste development is 12ft wide in haulage drifts and ramps, 12ft high in ramps, and 14ft high in haulage drifts requiring 36in metal duct. Production drifts are 13ft wide and 11.5ft [illegible]. Development work in waste is arched, but production drifts in ore are flat-backed.

Ramps are driven on a maximum of 20%, with 15% favoured particularly on curves. A flat spot is provided at level horizons for turnouts. Maximum radius of curvature on ramps is 40ft inside.

Drilling equipment was modified partly to improve mobility, and to help it cope with tough conditions. With air-motor traction only it was necessary to tow jumbos through the ramp system, often long distances through narrow curved ramps; a rugged mobile unit is much more efficient.

Also, as mining has proceeded, ground conditions generally have deteriorated. Instead of drilling a large number of holes before production (during which many holes may close up and need cleaning or redrilling) the practice in weak areas now is to drill and load, blast, move the drill back in, and so on. In this way holes are not left sitting for a long time and are loaded before they are affected by nearby blasting. The drill unit's mobility helps this operation, and allows it to be moved readily to the shop for necessary maintenance.

Load-haul-dump: After the maintenance procedures became established, the use of the Scooptrams posed no particular problems. Productivity has increased from about 300 tons per manshift over a round trip average distance of 1800ft, to 600 tons per manshift over 1264ft. Good roads have helped, after initial problems caused by the soft ground which tended to hole at turnouts, and drainage problems. Drifts are driven at 3%, and side ditches could not be maintained because the drifts are too narrow.

Now, crushed and screened diorite is brought in from surface to be used as ballast. This is oversize from the screening plant that provides sand and aggregate for shotcrete. The ballast is distributed on the roadbed by Scooptrams and graded with a Galion grader. A ditch is maintained in the centre, and the sides pack hard with the Scooptram tires. Eight-inch holes are drilled between sublevels for drainage.

Availability of the Scooptrams is about 75%; third and fourth gears have been removed from the transmission. New tire life averages over 1000 hours; tires are mostly Firestone and Bridgestone 18.00x25 24-ply slick-tread with Michelin tubes.

Ground control: Grouted rebar bolts, timber, and steel are now used in various sections of the mine, as well as shotcreting all the headings. Shotcrete is used in 100% of headings; rebars on all production drifts and about half the waste headings; timber on 15% of headings; steel in special areas, usually in turnouts or where headings had to be driven through fault zones.

Craigmont note that control of ground is the 'name of the game'. Other mines may have worse ground, needing more support; at Craigmont the problem is to provide minimum support to satisfy safety and draw control requirements.

The open pit tends to flood, and mud that lies in the bottom of the pit is a serious menace to draw points 200-250ft below. Draw has had to be restricted to try to prevent piping up to the pit floor, resulting in some ore losses.

Ventilation

When sublevel caving was first started, about 150,000ft^3/min of air was passed through the mine using one 400hp 73in axial-flow fan in the exhaust drift. Auxiliary ventilation in the sublevels was provided by 32hp fans with 30in flexible duct. Because of air losses, use of more diesel equipment, and higher standards, it became necessary to provide additional drifts and mechanical ventilation.

Primary ventilation now passes 380,000ft³/min of fresh air using two adits as intakes, each equipped with a two-stage 73in vane-axial direct-driven variable-pitch 500hp 1200rev/min fan (each 190,000ft³/min at 13.5in swg). Fans are in air locks.

Air is exhausted through two routes, one equipped with the original 400hp fan, the other with a 150hp axial fan. Secondary ventilation is by twin 60hp fans through 36in metal duct in the haulage drift, and 30in flexible duct in production drifts.

Installed ventilation capacities are: primary 1450hp, secondary 1750hp.

Production efficiency

The operation was designed for 3000tons/day at three shifts a day, seven days a week, but there was difficulty in reaching this figure. However, in 1972 the mine averaged 4700tons with a peak of 5400tons/day in June, and in 1976 production has averaged over 5500tons/day.

The improvement is attributed largely to: improved ventilation; more working places available (partly because better ventilation allows more units to work in one place); improved maintenance of equipment; improved brows and roads; generally better supervision and operator skills through experience; and improved organization.

Manpower underground totals 226, of which 175 in the mining department, 44 in mechanical, and 7 in electrical. The tons per manshift from underground has increased from 15 to 37.

Recovery has improved from 45% to a cumulative average of 90%; dilution is 39%.

MILLING OPERATIONS

Construction work on the 2400 level mill site started in late 1960, and the Craigmont Mines operation officially opened 15 September 1961, a little over two years from the start of metallurgical assessment of the original ore samples.

Crushing: Underground ore is hauled on the 2400 level in 16-ton side-dump cars to a surge bin (600-ton) ahead of the 48x60in jaw crusher. Crusher discharge at −5in is conveyed to a stockpile. Feed to the 14x84in Hydrocone secondary crusher is screened, as is the discharge from it before entering the 5x84in Hydrocone tertiary crusher.

Fine ore storage is a six-compartment reinforced concrete bin of 8400tons live capacity. Transverse slot feeders deliver ore from three compartments to each of the duplicate grinding sections.

Grinding: Rod mill discharge at 80%

solids, 25-30% plus−10 mesh, enters the ball mill — cyclone closed circuit and joins the ball mill discharge (80% solids). The joint stream is fed to one of two Krebs D20 cyclones. Product size is automatically regulated (Autometrics PSM 100) at 56-60% minus−200 mesh. Changes in grinding circuit since start of operations include increased speed of mills and to integral liners in the rod mills.

Flotation: The cyclone overflow passes through one of two 10x8 SRL-C pumps to the rougher feed distributor, and is combined with the scavenger middling return stream. A single pass through six rougher flotation machines produces a final tailing which is sampled by an automatic cutter and then pumped to the iron media recovery plant. Rougher and scavenger concentrates are produced on the rougher flotation machines.

Almost all the copper is present as chalcopyrite; hematite and magnetite are a major constituent (combined assay range 5-40%). Pyrite normally ranges 0.1-0.3%. Concentrate grade varies 28-30% copper depending on the pyrite content of the feed. A concentrate grind of 85-90% −200 mesh at maximum 9.0% water is desirable.

Iron media: A recovery plant started in November 1969 to produce −325 mesh magnetite. The fine magnetite is shipped to coal companies in BC and Alberta for use in their heavy media separation plants. A high level of sales was reached in 1975 as coal activity rose.

Craigmont: Scooptram working underground

TAILING DISPOSAL

Mill tailing leaves the iron media recovery circuit at about 30% solids and is brought to an average 50% solids in two 125ft thickeners. Tailing is gravity-fed about one mile to be retained behind a 4000ft-long dam across the valley below the plant site; about 230 acres is available for eventual disposal. The dam is built by spigotting behind two-ft high wooden retention fences which are set back 2.5ft with each lift.

Six decant towers were provided for water reclamation from the pond above the dam. Reclaimed water is pumped to the mill head tank.

A two-year program started Oct 1969 to study the growth of vegetation of the tailings dam and waste dumps. The initial plan was to seed and fertilize 14 acres on the face of the dam and 207 acres of pit waste dumps. Useful data were obtained, and the cost of the program was $136/acre. An additional 100 acres of pit waste dumps was treated in 1972 ($58/acre; 3000ft of irrigation pipe was added to the tailings dam sprinkling system in 1973. In 1975 four acres at the 3500 elevation mine portal were seeded, and irrigation continued at the dam.

It is intended, as a future program, to seed the disturbed areas of the mine once the operating activity in various areas ceases. This will involve an additional 574 acres.

Crew strength

At 30 April 1976 there were 398 employees on strength (307 crew and 91 staff): underground 175, mill 57, engineering 13, plant department 122, accounting 17, safety 9, administration and management 5. The operation is on a continuous 6:2 schedule.

Placer Development, like other mining groups, was built on people. However, it seems to be regarded by 'Placer people' as something special, and some of its long-service members hope that the right people and attitudes will sustain Placer's future

Placer people make it work

The feeling for what makes an organization tick does not come readily from reading annual reports or formal pronouncements; rather it is retained in the experience of people who have remained closely associated with the organization for a long time. Perhaps more importantly, people who have an enthusiasm for life and the ability to be critical where it is necessary, but to be positive in so doing.

To help to get the feel of what Placer Development means, in a personal sense, *Western Miner* talked informally with three long-service members of the company, now all at head office in Vancouver, but all with wide experience within the group. They are: S L Marshall, director of purchasing (now in his 41st year with Placer); Clive Ball, geologist (28 years); C I (Curly) Colwell, supervisor of purchasing, special projects (25 years).

It is quite evident that Placer Development holds a special place in the regard of many people who have been associated with the group, not only these three men, though their observations lend colour to those with whom they were associated in the past.

Stan Marshall remembers when J D Simpson and T H McClelland joined the company. As has been mentioned in the historical review in this issue, 'JD' is regarded as the founder of the modern Placer, and Thomas McClelland as his successor in continuing its more recent growth.

The Jersey camp of the Salmo operations seems to have embodied the spirit that runs through every talk about Placer. 'Team spirit' is a term that often become trite and without real meaning, but in this case it appears to mean 'what has made Placer tick'.

EARLY DAYS

Looking back to the early days brought recollections of a head office staff of about ten in 1935 (it is now more than 200), when most of the company employees were paid by Bulolo. At this time, too, since most of the operations were outside Canada, purchasing and engineering functions were largely concentrated in San Francisco, where Frank Griffin (one of the first directors) had his dredge designing operations. About this time, Stan Marshall received around $58 a month, office hours were 9.30am-5pm (and one worked on Saturdays), and tea and cookies were brought to one's desk in the afternoon. (No coffee breaks.)

With the advent of J D Simpson on the Canadian scene, and the purchase of the Salmo property in 1947, the Placer headquarters became established on a growing scale in Vancouver, and operations including purchasing and engineering were moved there.

THE FUTURE

Looking to the future, for which all have high hopes, though some will be watching from the sidelines in a few years time, there recur again and again the words enthusiasm, teamwork, people. Education and training are very necessary for the future, and Placer is considered to have a good record in its approach to providing these opportunities.

The term that appeared in all conversations with Placer people was 'public relations'. Not in the sense of promotion, but from a pride in what people consider to be a good example of an industrial group that should be widely recognized for what it has done and has contributed to the Canadian scene. In the face of growing adversity from sectors of the general public and of governments, people who take justifiable pride in their work and the achievements of their company naturally expect that an effort will be made to present a few facts about Canadian industry to a much wider audience than heretofore.

The mining industry as a whole is severely threatened by adversities and adversaries which are founded and thrive on ignorance of facts. Nothing is without fault, or at least has room for improvement, and the mining industry of today has made remarkable strides to improve its functions in many fields, notably 'the environment'. There is still a long way to go before some of the wider *malaises* can be overcome.

All the more reason, therefore, to continue to take a positive look at what has been and can be achieved, and the benefits that can be derived, from companies like Placer Development, built on enthusiasm and people. Much can be learned from the story of Placer people.

GCNL #97 19-MAY-78

CRAIGMONT MINES LIMITED

92I/2W

92ISE035

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PROFIT ROSE 33-1/3% -

6 MONTHS TO 30 APRIL	1978	1977
Revenue	$10,045,000	$6,591,000
Net Earnings	1,230,000	812,000
Per Share	24¢	16¢

Craigmont Mines Limited report that in their fiscal year's first half ended 30Apr78, the premium on the U.S. dollar contributed to the company's earnings, but, that the principal reasons for improvement over the provious year's first half results are that, in the earlier period, an unusually low quantity of copper concentrate was sold and lower average grade of ore was milled.

The company note that the price of copper remained in a low range, averaging approximately U.S. 56¢ per pound for the first half of 1978, 7¢ less than it averaged for the same period a year before.

GCNL #104 31-May-78

CRAIGMONT MINES LIMITED

file only 92I/SE/35 92I/2W 04849

6 MONTHS ENDED APRIL 30,	1978	1977
Concentrate Sales	$ 9,558,000	$5,948,000
Interest & Other Income	487,000	643,000
Total Revenue	$10,045,000	$6,591,000
Cost of Concentrate Sold	6,579,000	4,204,000
Depreciation	63,000	133,000
General, Admin. Expense	274,000	266,000
Exploration Expense	946,000	327,000
Income, Resource Taxes	953,000	849,000
NET EARNINGS	$1,230,000	$812,000
Earnings Per Share	24¢	16¢
Dividends Per Share	40¢	40¢

PRODUCTION: 6 MOS TO MAR.31,	1978	1977
Ore Milled, Tons	1,023,000	978,000
Copper Grade,%	1.41	1.18
Copper Recovery,%	95.46	95.02
Copper Conc.Produced,Tons	48,800	38,900
Conc. Grade Copper,%	28.22	28.18
Copper Produced, Pounds	27,542,000	21,900,000
Iron Conc.Produced, Tons	28,700	20,800
Copper Conc.Sold, Tons	40,900	20,100
Av.L.M.E. Copper Price(US ¢)	56.38	62.97

(Tons = short dry tons)

GCNL #225 23-NOV-78 CRAIGMONT MINES LIMITED 92I/02W 04849 092ISE035

YEAR ENDED OCTOBER 31	1978	1977
Revenue	$21,827,000	$19,916,000
Net Income	$3,572,000	$2,359,000
-Per Share	70¢	46¢

PROFIT ROSE 52%

The 52% improvement in earnings of Craigmont Mines Limited in the fiscal year ended Oct.31/78 compared with the year before is attributed by president R.G. Duthie to a lower unit cost of production due to milling of a higher grade of ore. Exploration expense was higher, reflecting the cost of the program in areas adjacent to the mine. This program, virtually complete, has failed to add to the mine's ore reserves. It is, therfore, expected that underground mining will cease next July, with production of concentrate continuing until the end of October, 1979.

Mr. Duthie reports that exploration drilling results on a copper prospect near Barriere, some 50 miles north of Kamloops, B.C., were encouraging in the first 3 diamond drill holes, though only 2 of the next 8 holes encountered mineralization. (See GCNL No.216(78) as amended by No.218(78) for drill results) He says more exploration is required before the extent of the mineralization can be defined. The location of the property will prevent drilling during the winter months.

GCNL #167 30-aug-78 ... 04849-92ISE035 092I/02W

CRAIGMONT MINES LIMITED

9 MONTHS ENDED 31 JULY	19	1977
Concentrate Sales	$15,932,000	$10,938,000
Interest, Other Income	717,000	860,000
Total Revenue	16,649,000	11,798,000
Cost of Concentrate Sold	10,190,000	7,746,000
Depreciation	94,000	176,000
General, Admin. Expense	372,000	381,000
Exploration Expense	1,429,000	484,000
Income, Resource Taxes	2,154,000	1,452,000
Net Earnings	$2,410,000	$1,559,000
Earnings Per Share	47¢	31¢
Dividends Per Share	60¢	60¢

9 MONTHS ENDED JULY	1978	1977
Ore Milled, Tons	1,557,000	1,514,000
Average Daily Tons	5,800	5,600
Copper Grade, %	1.40	1.18
Copper Recovery, %	94.62	95.08
Copper Conc. Produced, Tons	73,300	60,500
Conc. Grade, Copper, %	28.19	28.00
Copper Produced, Pounds	41,302,000	33,892,000
Iron Conc. Produced, Tons	37,600	31,700
Copper Conc. Sold, Tons	65,500	38,600
Av. L.M.E. Copper Price, US ¢/Lb.	57.60	61.80

(Tons = short dry tons)

EARNINGS IMPROVE - The improvement in earnings of Craigmont Mines Limited in the 9 months ended 31July78 compared with that period a year ago was due to the milling of a higher grade of ore and to an increased volume of copper concentrate sales. R.G. Duthie, president, says this was partially offset by a lower average price of copper in the current year together with the cost of a final exploration program in areas adjacent to the mine.

This exploration is continuing, but to date no additional ore has been located. If the program fails to add to the mine's ore reserves, Mr. Duthie expects that mining operations will cease in mid-1979.

Mr. Duthie points out that the price of copper has increased in recent weeks and, on the date of this report, was U.S. 65¢ per pound on the London Metal Exchange.

GCNL #40 27-2-78

CRAIGMONT MINES LIMITED

92I/0EW 04449

3 MONTHS TO JAN.31,	1978	1977
Revenue	$6,180,000	$2,408,000
Net Earnings	588,000	235,000
Per Share	12¢	5¢

In presenting results for the current fiscal year's first quarter ended 31Jan78, R.G.Duthie, president of Craigmont Mines Limited, says the earnings' improvement was primarily due to the unusually low quantity of copper concentrate sold in the previous period. The decline in value of the Canadian dollar contributed to earnings as all copper concentrate is sold for U.S. dollars.

92ISE035

Mr. Duthie notes that the price of copper on the London Metal Exchange remains in a low range and is currently approximately U.S. 54¢ per pound.

CRAIGMONT MINES LIMITED 92ISE035

+ Hard Metal Exploration is Directed Toward Finding Smaller Higher-Grade Orebodies

R.G.Duthie, president of Craigmont Mines Limited, told the annual meeting that 1977 will likely bring a modest increase in the price of copper up to the 65¢ to 75¢ per pound range. Revenues should be somewhat greater providing production is not interrupted but these will be offset to quite an extent by increasing costs of labour, material and even taxes. Markets for all of Craigmont's copper concentrate and magnetite for the year are reasonably secure.

He also pointed out that through the oil and gas exploration program it is hoped to eventually moderate the fluctuation of income from cyclical copper markets.

He told the meeting there has been no significant changes in the first quarter, ended Dec.31,1976, The mine has operated at capacity, averaging about 5,100 tons of ore per day, grading 1.13% copper. The collective agreement with the United Steelworkers of America expires Jan.29,1977. "It is our belief, with this realism present, a new collective agreement can be signed without disrupting the operation, possible even for terms longer than one year." he told the meeting.

The copper industry has gained some strength recently both in demand and in price, but the recovery is somewhat tenuous because of the large inventories of metal overhanging the market, poor utilization of available productive capacity and uncertainties of continuing consumer demand.

Those who look for further strengthening of the copper market do so on the basis of significant disruptions of world copper production and at least a continued moderate expansion of major economies, a rather "iffy" basis for economics. Normal or an increased utilization of present copper production capacity and a moderate expansion of major economies will mean a continuation of the cost-price squeeze on most producers.

Many B.C. resources are now priced out of traditional markets and are being replaced by those from other nations. Copper production has increased rapidly in many areas, paralleling the expansion in B.C. The increase is most noticeable in those countries where copper is the main source of foreign exchange. As surpluses of copper developed, nationalized copper producers in these countries continued to produce beyond consumer demand and often sold at below cost prices. There does not appear to be an immediate solution for this market condition.

The current market condition does not mean that presently operating mines in B.C. will shut down but that investment to expand copper mining is not attractive nor feasible in this area under present economic conditions.

GCNL #49 . 10-3-78

CRAIGMONT MINES LIMITED 04849

92I/2W

3 MONTHS ENDED 31 JANUARY	1977	1976
Concentrate Sales	$5,884,000	$1,991,000
Interest & Other Income	296,000	417,000
Total Revenue	6,180,000	2,408,000
Cost of Concentrate Sold	4,447,000	1,373,000
Depreciation	32,000	73,000
General, Admin. Expense	131,000	123,000
Exploration Expense	422,000	216,000
Income, Resource Taxes	560,000	388,000
NET EARNINGS	588,000	235,000
Earnings Per Share	12¢	5¢
Dividends Per Share	20¢	20¢

PRODUCTION: 3 MOS. TO 31JAN.	1977	1976
Ore Milled, Tons	505,000	479,000
Copper Grade,%	1.37	1.15
Copper Recovery,%	94.93	94.82
Copper Conc,Produced, Tons	23,200	18,600
Conc. Grade Copper,%	28.26	28.08
Copper Produced,Pounds	13,138,000	10,426,000
Iron Conc.Produced, Tons	15,500	8,500
Copper Conc.Sold, Tons	26,300	6,500
Av.L.M.E. Copper Price	55.99¢U.S.	59.91¢U.S.
(Tons = short dry tons)		

92ISE035

GCNL #248 28-Dec-78 CRAIGMONT MINES LIMITED 92I/02W 04849 092ISE035

YEAR ENDED OCTOBER 31	1978	1977
Copper Concentrate Sales	$20,054,000	$17,701,000
Iron Concentrate Sales	790,000	1,076,000
Interest & Other Income	983,000	1,139,000
Total Revenues	21,827,000	19,916,000
Cost of Concentrate Sales	12,121,000	13,753,000
Depreciation & Depletion	134,000	220,000
General & Administrative Exp.	484,000	501,000
Exploration Expense	2,061,000	850,000
Income & Resource Tax: Current	3,387,000	1,972,000
-Deferred	68,000	261,000
Net Earnings	$3,572,000	$2,359,000
-Per Share	70¢	46¢
Working Capital	$16,536,000	$16,770,000
Shares Issued	5,077,275	5,077,275
Production		
Ore Milled - Tons	2,102,000	2,050,000
Av. Grade Ore Milled -% Copper	1.38%	1.17%
Recovery of Copper - %	92.97%	94.65%
Copper Concentrate Produced - Tons	94,200	81,000
Av Grade Concentrate - %Copper	28.57%	27.97%
Copper Produced - Pounds	53,813,000	45,315,000
Iron Concentrate Produced - Tons	47,500	42,200
Copper Concentrate Sold - Tons	80,600	70,300
Av.Copper Price P/Pound (U.S.)	59.74¢	59.82¢

About exploration, R.G. Duthie, president of Craigmont Mines Limited, states in the annual report, "Elsewhere in British Columbia and the Yukon exploration was continued at a cost of $303,000 (1977-$432,000) Some encouraging results have been obtained at a prospect near Barriere north of Kamloops in south central B.C. Mineralization ranging from 1.23% to 4.14% copper has been intersected reasonably close to the surface by 7 out of 13 diamond drill holes completed and assayed at the time of this report. (At latest report 23 holes had been drilled. See GCNL No.240, 14Dec78 for assays to date). Considerably more exploration remains to be carried out before the significance or extent of the mineralization can be defined and its economic value, if any, established. The location of the property will prevent drilling during the winter months. The company can earn an 80% interest in the prospect.

"Soil sampling, geophysical surveys and diamond drilling were used to test anomalies previously indicated by an airborne survey in B.C.'s Shuswap district. Fourteen prospects were examined during the year and 3 were optioned for further investigation. An initial budget of $375,000 has been approved for continuation of this program in 1979."

About ore reserves at the Craigmont Mine he says, on Oct.31/78 geological ore reserves, at a cut-off grade of 1% copper, were estimated to be 2,312,000 tons of 1.40% copper. "Improved economies during 1978 have made it possible to include additional material in current estimates of ore reserves. Under present conditions and utilizing the sub-level caving method, it is estimated that 60% of the above geological reserves are extractable at approximately 39% dilution (1977 -74% and 38%). It is now expected that underground mining will cease in July, 1979 with production of copper concentrate continuing through to the end of October, 1979. The mine exploration program which, by the end of December, will be concluded at its budgeted cost of $1,600,000, consisted of diamond drilling, geophysical surveys and geological mapping in areas adjacent to the mine. To date there have been no indications of additional ore. This program, combined with the results of past exploration in the area, completes the investigation of what company geologists feel are all the favourable geological horizons for ore deposition within reasonable distance of existing plant facilities.

In the annual report, Mr. Duthie says the improved earnings from the mine were due to lower unit production costs resulting from a higher grade of ore milled and improved mine efficiency.

Most aspects of the mine's operations in 1978 were above expectations including production of ore from underground. Mining operations produced 1,695,000 tons of ore during 1978 (1977-1,529,000 tons). A total of 396,000 tons of low-grade material was drawn from the open pit stock-piles to maintain optimum capacity through the concentrator.

Copper recovery was reduced by the higher oxide content of ore reclaimed from stockpiles.

At the end of operations there will be an estimated 1,000,000 tons of stockpiled, low-grade iron concentrate sufficient to supply existing customers for approximately 15 years. The iron concentrate recovery circuit in the concentrator will be modified so that this material may be processed after closure of the mine. It is anticipated that the remaining facility will be relatively small, employing 12 to 15 persons.

The annual meeting will be held at 11:00 a.m., Thursday 25Jan79 in the Alouette Room, Hotel Vancouver, Vancouver, B.C.

GCNL #19 JAN. 27/78 CRAIGMONT MINES LIMITED File Merg 92ISE035

MODEST PROFIT REPORTED FOR QUARTER ENDING ON 31JAN78 - Noting that the first quarter of the current fiscal year of Craigmont Mines Limited does not end until January 31, president Ross G.Duthie told the annual meeting on 26Jan78, that he could not give definitive figures, but he indicated that the company would report a modest profit for the 3 months.

92 I 02W.

Production at the mine has been as planned. The plant operated at an average of 5,700 tons per day in Nov. and Dec., treating 335,350 tons at an average grade of 1.39% copper. Metallurgy has been normal at 94.8% recovery. Copper production was 8,800,000 pounds. The underground mine produced 274,800 tons of ore being 82% of mill throughput. Operating costs were on budget and concentrate shipments as scheduled. The copper price remained in the mid-50¢ U.S. range on the London Metal Exchange. Because Craigmont's product is sold in terms of U.S.funds, the lower priced Canadian dollar has been beneficial. The present contract with the United Steelworkers union remains in effect until 29Jan79.

Mr.Duthie expects Western Bloc production of copper in 1978 will be slightly less than consumption but this will not significantly reduce the large inventories still held by smelters and fabricators so copper prices are not expected to improve significantly. Demand for copper concentrate, despite high metal inventories, is good & he expects no difficulty in selling all production.

Mr.Duthie referred to earlier reports of the closure of the mine in early 1979 when ore reserves will be exhausted. He noted that the mine's cut-off grade had been raised from 0.7% to 1.0% copper in order to keep operating costs in balance with the low price received for copper. The effect of this is comparatively small since, after 18 years of operations, the mine's life will be decreased by only a few months. Craigmont has produced almost 750,000,000 pounds of copper since mining began in 1961. As a policy, Craigmont have always maintained a strong cash position. At the end of 1977, working capital stood at about $10,000,000 cash.

Concerning exploration, Mr.Duthie said the on-property program, begun last July, has yielded no indication of additional mineralization. Elsewhere, exploration in central interior of B.C., administered from Kamloops, will continue at least through 1978. Craigmont also hold interests in almost 33,000 acres of oil & gas rights in Alta. & B.C. Although the co.have stopped undertaking new oil/gas projects in favor of the $1,600,000 on property mining exploration program, participation in evaluation & development of properties already acquired will be continued. Mr.Duthie commented, "We shall continue our exploration programs but if we fail to locate additional ore reserves or new mineral prospects, directors must then consider various courses of action, including the possibility of winding up of the company." Included in Craigmont's assets is a stockpile of magnetite concentrate which is saleable if re-treated. It is capable of sustaining the market for heavy media in western Canadian coal mines for some years. The market currently is for some 40,000 tons a year. The product sells F.O.B. mine cars at about $30 a ton.

GCNL #223 21/11/77 CRAIGMONT MINES LIMITED 92I/2W 92ISE035

YEAR TO OCT.31,	1977	76
Net Earnings	$2,359,000	$3,919,000
Per Share	46¢	77¢

PROFIT FELL WI... TONS SHIPPED
CUT-OFF ORE GRADE RAISED

Craigmont Mines Limited president R.G.Duthie says the principal factor resulting in lower earnings in the year ended Oct.31/77 was fewer shipments of copper concentrate than in the previous year. A decrease in the average grade of ore milled resulted in higher unit costs which also contributed to lower earnings.

Through the fiscal year, the price of copper on the London Metal Exchange averaged U.S. 60¢ per pound. "Currently," says Mr.Duthie, "the price is only 54¢ U.S. per pound with little likelihood of any significant improvement in the near future."

The low price of copper has forced the company to raise the cut-off grade of ore mined from 0.7% to 1.0%. Although this action will reduce the ore reserves and, thus, marginally shorten the life of the mine, Mr. Duthie said it is necessary to ensure economic operation.

Geology

George James

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WESTERN CANADIAN INVESTMENTS

Q BROADCASTING LTD.

92ISE035

6 MONTHS TO FEB.28,	1977	1976
Revenue	$2,493,665	$2,048,653
Expenses	1,833,373	1,470,192
Depreciation	97,476	90,719
Income Tax	287,032	262,401
Net Earnings	275,784	225,341
Per Share	64.8¢	52.9¢
Working Capital	$1,283,491	$1,020,072

CRAIGMONT MINES LIMITED

92I/1W PROD.

6 MOS. TO 30APR	1977	1976
Net Earnings	$812,000	$1,544,000
Per Share	16¢	30¢

PROFITS FALL WITH FEWER SHIPMENTS

President R.G.Duthie reports that only 3 shipments of copper concentrate were made in the 6 months ended 30Apr77 compared to 7 in the same period of the previous fiscal year and this was the primary reason for the decrease in earnings of Craigmont Mines Limited.

The improved average price of copper was offset by higher costs due to reduced concentrate production. Mr.Duthie says concentrate production was affected by scheduled repair work to an ore pass during which time mill feed was supplemented by stockpiled, lower grade ore.

92ISE035

92I/2W PROD

GEORGE CROSS NEWS LETTER LTD. NO.45(1977) (Page Two) MARCH 4,1977

CRAIGMONT MINES LIMITED

3 MONTHS TO 31JANUARY,	1977	1976
Revenue	$2,408,000	$4,437,000
Cost of Sales	1,373,000	2,840,000
Deprec'n,Deplet'n.	73,000	91,000
Administration Expense	123,000	122,000
Exploration	216,000	27,000
Earnings Before Taxes	623,000	1,357,000
Income, Mining Taxes	388,000	811,000
Net Earnings	$235,000	$546,000
Earnings Per Share	.5¢	11¢
Dividends Per Share	20¢	20¢

3 MONTHS TO 31JANUARY,	1977	1976
Ore Milled - Tons	479,000	468,000
Av.Daily Throughput-Tons	5,300	5,400
Grade - % Copper	1.15	1.46
Copper Recovery - %	94.82	96.87
Concentrate Prod.-Tons	18,600	22,800
Conc.Grade - % Copper	28.08	28.97
Copper Produced-Lbs.	10,426,000	13,224,000
Iron Con.Prod.-Tons	8,500	14,100
Copper Concentr.Inventory, 31January-Tons	17,600	15,000
Copper Conc.Sold-Tons	6,500	19,500
Av.L.M.E. Copper Price	59.91¢U.S.	53.26¢U.S.

CRAIGMONT MINES LIMITED 92I/2W PROD.

3 MOS. TO 31JAN	1977	1976
Net Earnings	$235,000	$546,0[illegible]
Per Share	5¢	11¢

Craigmont Mines Limited repor[illegible] that only one shipment of copper concentrate was made d[illegible]ing the quarter ended 31Jan77 and this was the primary factor affecting earnings.

Scheduled repair work to an ore pass restricted the normal supply of ore for part of the quarter and during that time mill feed was supplemented with stockpiled lower grade ore resulting in lower production.

+NO.37(FEBRUARY 22, 1977)+

92ISE035

GCNL #19 79-01-26 CRAIGMONT MINES LIMITED 092I12W 04849-092ISE035

PRESIDENT'S ADDRESS DEALS WITH POSSIBLE FUTURES FOR THE COMPANY - In the absence of R.G.Duthie, president, A.J.Petrina, vice-president, addressed the annual meeting of Craigmont Mines Limited. He said that the first quarter results are not available but the mine and plant have operated at capacity treating 327,773 tons averaging 1.26% copper, which produced 7,391,796 pounds of copper in the first two months. These figures should not be interpreted as a projection or average for the current fiscal year. Production and grade will both decrease during the year as the operations near shut-down. (On Jan.16,1979, the company announced that, following new mine studies and higher current prices for copper, mining is expected to continue into the fall and concentrate production into the first quarter of 1980.) Mr.Petrina also told the meeting that the mine was not working to an assay wall and that any further extension of mining would require very substantial further copper price increases.

The agreement with the United Steel Workers of America expires Jan.28,1979. He said, "I think it is fair to say that both parties feel a new agreement can be reached without any disruption."

Answering questions about the future of the company, he said, first, assume that outside exploration is unsuccessful and the company is wound up with assets distributed to shareholders or, second, assume exploration is successful and that the company continues.

Neither Noranda nor Placer has indicated an interest in purchasing the assets or acquiring the other outstanding shares of Craigmont. If Craigmont is wound up, Placer and Noranda will receive the same pro rata distribution as any other shareholder - no more, no less. Placer received an offer to sell all of its Craigmont shares for an undisclosed price, but, under terms which did not include an offer to the minority shareholders. The offer was rejected.

The value of the company's assets, the oil and gas interests, plant and equipment and the magnetite stockpile. The oil and gas interests have cost $1,600,000 and can likely be sold at a moderate profit. The plant is old and can not be valued until it is, in fact, for sale. A sale would realize the depreciated value of approximately $1,100,000 or better. The magnetite stockpile is of moderate value.

In the second case, will the company continue, depends on the Chu Chua Mountain prospect. Will it keep the company going and how profitable will it be? There is not enough information available to answer the question. The 23 holes drilled to date have outlined a typically volcanogenic massive sulphide deposit of about 2,000,000 metric tonnes grading 2% copper, 0.4 grams per tonne gold .8 grams per tonne silver and 0.4% zinc. More work is scheduled for the Spring.

property file + reserves file

GCNL #223 NOV. 21/75. CRAIGMONT MINES LIMITED

92I5E085

YEAR TO OCT.31,	1975	1974
Net Earnings	$3,605,000	$7,[illegible]10,000
Per Share	71¢	$1.46

YEAR'S EARNINGS HALVED

In reporting net earnings for the year ended Oct.31, 1975 that are half those of the year before, R.G.Duthie, president of Craigmont Mines Limited, comments that this occurred despite an increase in production of copper concentrate of 28% over the previous year when production was curtailed by a strike. He attributes the earnings decline chiefly to the significant reduction in prices received for copper in the concentrate. The president notes that the average price of copper on the London Metal Exchange (L.M.E.) during fiscal 1975 was 57¢ per pound compared to $1.00 per pound in 1974. He adds that the L.M.E. price on 20Nov75 was 53¢ per pound.

Additionally, Mr. Duthie points out that income taxes, mining taxes and royalties totalled $5,402,000 and this amounted to 60% of pre-tax earnings or $1.06 per share. This rate of taxation is up sharply from 1974's 47%.

Craigmont's current labour contract will expire on 28Jan76. Negotiations on a new contract have commenced.

92ISE035 Prod. file

CRAIGMONT MINES LIMITED

6 MONTHS TO APR.30,	1976	1975
Revenues	$10,087,000	$13,795,000
Cost of Sales	6,649,000	8,240,000
Depr'n, & Depl'n.	185,000	240,000
Gen. & Admin. Exp.	247,000	226,000
Exploration	43,000	118,000
Mineral Royalties	320,000	529,000
Inc. & Mining Taxes	1,543,000	2,561,000
Net Earnings	1,100,000	1,881,000
Earnings Per Share	22¢	37¢
Working Capital	$17,749,000	$18,705,000

6 MONTHS TO APR.30,	1976	1975
Ore Milled - Tons	977,000	954,000
Av. Daily Throughput-Tons	5,400	5,300
Grade - % Copper	1.38	1.40
Recovery of Copper-%	96.31	96.01
Concentrate Produced-Tons	45,300	43,900
Concentrate Grade-% Copper	28.71	29.13
Copper Produced-Lbs.	25,996,000	25,564,000
Average L.M.E. Price Per Pound of Copper - U.S.¢	57.31	59.38