

104G

820589

LIARD COPPER MINES LTD. (N.P.L.)

To the Shareholders:

June 8, 1973

During the 1972 drill season, Hecla drilled a total of 8950 feet in ten holes. This included a single hole on Paramount Mining Co. claims. Total drilling at Schaft Creek is now 106,341 feet in 109 holes.

The drilling last year had objectives in three separate areas. Two holes colared far south of the Main Liard Zone intersected only minor copper and enough pyrite to account for the anomalous I.P. effects. Further drilling is required in this southern area.

Five holes were drilled on the higher grade Breccia Zone. One fine hole cut 450 feet grading just over 1.0% combined copper-moly.

In the third area tested, two vertical holes collared 500 and 1000 feet north of the Main Liard Zone returned long ore-grade intercepts at depth. These holes support the theory that there may be a new target area north and east of any previous drilling.

In February of this year, Hecla gave notice of termination to Paramount Mining Co. Although the Paramount ground has been shown to contain some tonnage of ore grade material, the option agreement was such that certain future commitments could not be fulfilled logically by the due dates. The directors of Liard Copper Mines supported Hecla's decision to terminate the agreement.

Ore reserve figures for Schaft Creek now refer only to those reserves on Liard Copper ground. Silver Standard engineers have made no new tonnage calculations following the 1972 drilling, and reserves remain as stated last year, 294 million tons grading 0.40% copper and 0.036% molybdenite.

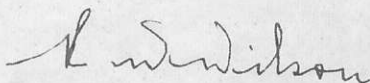
RECEIVED
JUN 12 1973

KERR ADDISON LTD.
Per.....

Because the new socialist government has introduced uncertainties into the planning for eventual production, Hecla has chosen to carry out only a modest program in the 1973 season. There will be no drilling and work will be confined to geophysics, geochemistry, and mapping, largely in untested areas of the claim block. Recent pronouncements by the government suggest that it is anxious to promote industrial development in the northwest corner of B.C. Hopefully, the government will indicate a willingness to cooperate, and Hecla will be encouraged to quickly push the Liard Copper deposit to the feasibility stage.

The Balance Sheet and supporting statements for the fiscal year ended on April 30, 1973 are enclosed. Working capital of \$7,276.38 at the year end is considered to be sufficient as no major expenditures are anticipated during the forthcoming year.

On behalf of the Board of Directors,



R.W. WILSON
President

LIARD COPPER MINES LIMITED

(Non-Personal Liability)

NOTICE OF ANNUAL MEETING

NOTICE IS HEREBY GIVEN that the seventh ordinary General Meeting of the Company will be held at Suite 808-602 West Hastings Street, Vancouver 2, B.C., on Friday, June 22, 1973, at the hour of 10:30 a.m. for the purpose of receiving and considering the Annual Report of the Company, the election of Directors and the appointment of Auditors, and the transaction of the ordinary business of the Company.

The following resolution will be proposed:

That the Directors of the Company be authorized to acquire by purchase or otherwise shares in any other Corporation if deemed to be in the best interests of the Company.

The authority created by this resolution will expire at the next ordinary meeting of the Company, unless it is then continued by an ordinary resolution.

If you are not able to be present, please sign and return the attached proxy, for which purpose an envelope is enclosed.

DATED this 8th day of June 1973.

By Order of the Board,

R.H. RAYNER
Secretary

P R O X Y

I, _____, being a shareholder of LIARD COPPER MINES LIMITED (Non-Personal Liability), do hereby appoint R.W. Wilson, and failing him, A.C. Ritchie, and failing him, _____, of the City of Vancouver, to be my proxy to vote at the Annual Meeting of Shareholders, to be held at Suite 808-602 West Hastings Street, Vancouver 2, B.C., on Friday, June 22, 1973 and at any adjournment thereof.

WITNESS MY HAND, this _____ day of _____, 1973

Witness

Signature

*Note: Signed Proxies NOT MAILED June 25/73
FORWARD MEETING NOT HELD*

LIARD COPPER MINES LIMITED

(Non-Personal Liability)

BALANCE SHEET

as at April 30, 1973

A S S E T S

CURRENT ASSETS:

Cash	\$	\$ 8,293.89
------	----	-------------

FIXED ASSETS - at cost:

Mining Properties - (Note 1)		544,508.00
------------------------------	--	------------

EXPLORATION & DEVELOPMENT EXPENDITURES:

Company Properties	42,349.56	
<u>Add: Exhibit "A"</u>	<u>5,671.41</u>	48,020.97
Paramount Agreement (Note 2)	69,810.10	
<u>Add: Exhibit "B"</u>	<u>5,243.08</u>	75,053.18
Organization Expense		<u>1,642.47</u>
		<u>\$ 677,518.51</u>

LIABILITIES & SHAREHOLDERS' EQUITY

CURRENT LIABILITIES:

Accounts Payable		\$ 1,017.51
------------------	--	-------------

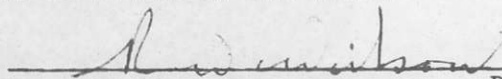
SHAREHOLDERS' EQUITY

SHARE CAPITAL:

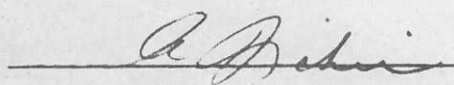
Authorized: 5,000,000 common shares of 50¢ par value	\$ 2,500,000.00	
Issued: 750,000 shares for properties	375,000.00	
678,032 shares for expenditures	339,016.00	
<u>359,970 shares for cash</u>	<u>179,985.00</u>	
1,788,002	894,001.00	
<u>Less: Discount thereon</u>	<u>217,500.00</u>	676,501.00
		<u>\$ 677,518.51</u>

NOTE: The accompanying notes form an integral part of this and related statements.

Approved on behalf of the Board



Director



Director

LIARD COPPER MINES LIMITED

(Non-Personal Liability)

NOTES TO BALANCE SHEET

as at April 30, 1973

NOTE 1: The Company has an agreement with Hecla Operating Company which provides for the expenditure of \$1,500,000 by Hecla on exploration and development of its property over a five-year period ending February 28, 1973. Hecla may then:

- (1) Elect to place the property into production in which case all pre-production expenditures in excess of \$1,500,000 will be repaid from 80% of the net proceeds with the balance allocated 70% to Hecla and 30% to Liard - or
- (2) Extend option up to February 28, 1988 by spending a minimum of \$300,000 per year - or
- (3) Terminate the agreement and receive up to 1,000,000 shares on the basis of \$1.50 per share for work done providing expenditures exceed \$1,000,000.

Hecla has expended approximately \$2,422,500 and has elected to extend the second examination period for one year to February 28, 1974.

American Smelting and Refining Company expended an amount of \$266,250 on the company's property under a previous agreement.

NOTE 2: Hecla Operating Company had an agreement with Paramount Mining Ltd. (N.P.L.) covering adjoining claims similar to the agreement with your company, providing for a division of the net proceeds 70% to Hecla and 30% to Paramount after recovery of pre-production expenses out of 80% of the net proceeds. Liard Copper Mines Ltd. provided 30% of the cost of development work on these claims under a supplementary agreement with Hecla Operating Company, in return for 30% of Hecla's share of the net proceeds (21%). The total expenditures to April 30, 1973 under this agreement amounted to \$240,843.95 of which \$74,953.18 (30%) was paid by your company.

This agreement has now been terminated.

LIARD COPPER MINES LIMITED(Non-Personal Liability)EXPLORATION AND DEVELOPMENT COSTS

for the year ended April 30, 1973

(with comparative figures for the year ended April 30, 1972)

	<u>1973</u>	<u>1972</u>
Engineering & supervision	\$ 1,957.91	\$ 2,499.54
Legal & audit	20.70	425.00
Administration	2,878.65	1,634.68
Transportation	285.90	84.40
Office expense	--	64.16
Insurance	--	23.62
Telephone & telegraph	--	4.30
General expense	75.00	80.00
Consulting fees & expense	1,017.64	2,256.55
Interest expense	--	7.00
Free Miners Certificate	200.00	200.00
	<u>\$ 6,435.80</u>	<u>\$ 7,279.25</u>
<u>Deduct:</u> Sundry Income	764.39	215.34
	<u>\$ 5,671.41</u>	<u>\$ 7,063.91</u>

LIARD COPPER MINES LIMITED(Non-Personal Liability)EXPLORATION & DEVELOPMENT COSTS - PARAMOUNT AGREEMENT

for the year ended April 30, 1973

(with comparative figures for the year ended April 30, 1972)

<u>DIRECT CHARGES:</u>	<u>1973</u>	<u>1972</u>
Drilling	\$ 1,745.45	\$ 9,058.35
Surveys	113.43	-
Payroll	<u>1,776.84</u>	<u>387.63</u>
	<u>\$ 3,635.72</u>	<u>\$ 9,445.98</u>
 <u>INDIRECT CHARGES:</u>		
Transportation	\$ 361.37	\$ 1,119.32
Accommodation	186.48	809.43
Feasibility study - preliminary	269.67	71.80
Assaying, including freight & storage	156.60	623.21
Recording & filing	459.15	236.86
Mapping & drafting	126.63	588.91
Communications	23.02	49.66
Supplies	23.24	172.96
Miscellaneous	<u>1.20</u>	<u>10.36</u>
	<u>\$ 1,607.36</u>	<u>\$ 3,682.51</u>
	<u>\$ 5,243.08</u>	<u>\$13,128.49</u>