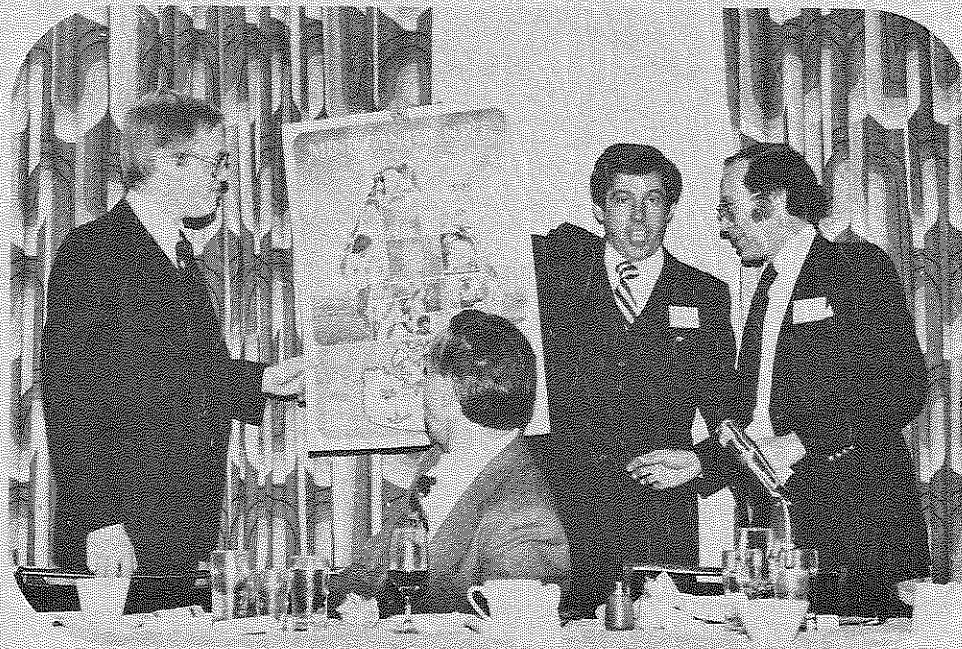


Northwest Territories Chamber of Mines



**1978
Annual
Report**

Board of Directors - 1979

President

Ronald J. Hawkes, Assistant Manager, Noranda Exploration Co.

Vice President

Robert W. Spence, Exploration Superintendent, Giant Yellowknife Mines

Treasurer

Anthony Shearcroft, Mining Contractor

Secretary

Charles Vaydik, Prospector

Past President

A. David MacPhail, Manager, Con Mine, Yellowknife

Directors

Roderick P. Douglas, Cominco Group Vice President, Yellowknife

David J. Emery, President, Giant Yellowknife Mines

Jean Buck, Manager, Wardair Canada, Yellowknife

William G. Knutsen, President, Precambrian Mining Services Ltd.

John Zigarlick, President, Echo Bay Mines Ltd.

11th Annual Meeting

The 11th Annual Meeting of the N.W.T. Chamber of Mines was held on December 7, 1978 in conjunction with the 6th Annual Geoscience Forum held in Yellowknife. The membership voted in support of the Chamber's request to significantly increase the membership fee in order to be able to meet the demands being asked of it. At the ANNUAL DINNER held on the evening of December 7th, Dave Nickerson, Territorial Councillor and mining engineer, was the Guest of Honour and Speaker.





**Address by the President
11th Annual General Meeting**

1978 has been a year of ups and downs for the north's mining industry collectively and for many of us as individuals or companies operating in Canada's challenging frontier.

The first half of 1978 saw many areas within the Northwest Territories adversely affected and influenced by actions of the Department of Indian Affairs and Northern Development. We saw some 600,000 square miles of the 1.3 million in the N.W.T. overshadowed by uncertainties. The major uncertainty was whether, in fact, an economically viable mineral deposit could be developed if found. Explorationists of course cannot operate in such an environment since exploration is not an end in itself. We are in the mining business not only to explore for deposits, but also, and primarily, to mine them.

These areas of uncertainty include proposed arctic wilderness sites, IBP sites, various kinds of reserves and finally, extensive caribou protection areas. On April 24, 1978 Justice Mahoney signed a Federal Court Order granting a temporary injunction covering various activities in a 30,000 square mile area near Baker Lake. However, the Department of Indian Affairs and Northern Development, on their own initiative, and in spite of the Territorial Government which has the responsibility for caribou management, expanded the restricted area to some 200,000 square miles extending from Great Slave Lake to Hudson's Bay and from the 60th parallel to Baker Lake.

In addition, it was the intent of DIAND to further expand the restricted area to cover all six caribou herds in the N.W.T., by adding various Special Land Management zones to the Land Use Regulations. I do not believe we are "out of the woods" yet on this matter, but we have made some progress, and I will discuss this later.

Your Chamber has played a very active role in making representation to the Minister, Honourable J. Hugh Faulkner, the Prime Minister, other cabinet ministers and various opposition members. The Chamber attended the Federal Court Hearings concerning the Baker Lake injunction.

In addition to the Baker Lake issue, the Chamber has represented the mining industry with respect to a Northern Minerals Policy, surface leases affecting operating mines, the Proposed Arctic Wilderness Sites, the proposed transfer of mines inspection services to Territorial Government, the new Canada Mining Regulations, proposed increased royalty rates, the Standing Committee on Arsenic Pollution and other items.

During 1978 the President or another Chamber director represented the industry at the Joint Chambers' meeting in Whitehorse, the Mines Ministers' Conference in Toronto, the Keewatin Economic Development Conference in Rankin Inlet, the Task Force on Canadian Unity, and the First Territorial Wide Economic Development Conference in Hay River. We also held significant discussion meetings with the Northern Mineral Advisory Committee, the Chamber of Commerce, Transport Canada and N.T.C.L. concerning the Mackenzie River-Great Bear Lake barge system, Interdisciplinary Systems Limited, the Deputy Minister of Energy, Mines and Resources, the Consul General of Japan, and many news media persons. We participated in the dedication of a Historical Site Plaque at Port Radium.

During the year the Chamber instigated or was involved in various functions in the north to help improve the public image and effectiveness of the industry. We held a Mining Day to bring together industry and government field personnel, participated in Yellowknife's Fall Fair as part of our Mineral Industry Awareness Program, and recently held a Seminar on Employment of Northern Residents to bring together Territorial Government, Manpower, Oil Industry and Mining Industry people to assess and improve our joint programs for training and employing northern residents. The Chamber was pleased to be involved this year in the Sixth Annual Geoscience Forum.

We encouraged the minister to undertake a transportation study for the shipment of concentrates of potential metal producers in the Mackenzie District of the N.W.T. Phase I of this study is now completed.

Exploration has been active in 1978. New claims staked and recorded to October 31, 1978 covered 1,395,898.55 hectares compared with 472,377.92 hectares for all of 1977. This, of course, reflects the ease of ground acquisition under the new Canada Mining Regulations. Land Use Permit applications indicate that at least 42 diamond drilling situations were to be tested. Exploration expenditures probably totalled in the order of 30 million dollars, with 5 million on base metals and 25 million in the search for uranium.

The most encouraging news so far this year from exploration was the announcement by Urangesellschaft Canada Limited that a drill intersection of 1% U₃O₈ over 100 feet was encountered in the Schultz Lake Area.

As I began my report I mentioned that the industry has had its ups and downs during 1978. I indicated to you some of the downs and some of the ups, but I have saved the most important "up" for last.

In our many deliberations with the Minister, Honourable J. Hugh Faulkner, (I believe we have met with him nine times in the past year) the Chamber has constantly reiterated two points. First, we do not believe that the Department has a clear, publicly known policy concerning mining development in the north. Secondly, we believe that many of his department's actions and decisions lack the input of a Senior Mining person and thus cause problems for all. We have emphasized to him that the obvious remedy is to publicly announce a Northern Minerals Policy and to appoint a Deputy Minister of Mines.

Because of the efforts of this Chamber and of course many individuals, and other chambers and mining associations, the Minister agreed on October 13 to meet the industry part way in its proposed remedy. On that day he announced, after our meeting with him, that he would agree to the establishment of a government-industry Northern Minerals Advisory Committee which would help him draft and implement a Northern Minerals Strategy. In addition, he agreed to appoint a Senior Mining Advisor to be attached to his office during the term of the drafting and implementing of the Northern Minerals Strategy.

I am happy to say that the Committee has not only been formed, but has had one meeting, and the Senior Mining Advisor in the person of W. T. (Bill) Irvine has been appointed. We in the Chamber view these as very positive developments and believe that encouraging things can happen for the industry in the N.W.T. if we continue to be active in the very same political areas in which we have gained this measure of success in 1978. We must not slacken our efforts to press for those things which we as an industry know will encourage a healthy mining investment climate in the north.

In conclusion, I wish to express my appreciation for the support you as members have given me during my term of office. Many of you have conveyed your support orally and many have written kind words. I especially wish to thank the directors of the Chamber for the wisdom they have provided in guiding the Chamber's activities and I cannot begin to describe to you members the high calibre of representation you have sitting on the board. I also wish to recognise the contribution Esther Braden made to the Chamber during her seven years as office manager. We miss her, however, we know that she is certainly still active in supporting the industry.


Best wishes to each of you for a successful 1979.

A handwritten signature in cursive script, reading "Rensel J. Hawkes".

R.J. Hawkes
President

Annual Meeting,
Yellowknife, N.W.T.
December 7, 1978

Steps Toward A Northern Mineral Advisory Committee



Northwest Territories Chamber of Mines
Box 2018 Yellowknife, N.W.T. X0A 1H0 Phone 873-5201

July 26, 1978

Honourable Hugh Faulkner,
Minister of Indian Affairs and Northern Development,
Ottawa, Ontario.

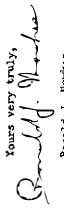
Dear Mr. Faulkner:

On behalf of the Chamber of Mines I wish to thank you for so willingly taking time once again to meet with the senior representatives of both Government and industry at Yellowknife. I believe the meeting was of merit in that the serious nature of the current mining industry situation was clearly brought to the attention of the Chamber and you and others in responsible, decision making positions.


We are very pleased that you have instructed your staff to accelerate the drafting of a mineral development strategy for the north, which we trust will clearly outline your vision for the future of the mining industry in the Northwest Territories.

In view of your forth coming mineral strategy paper, I am staggered with my colleagues of the Yukon Chamber of Mines, the B.C. and Yukon Chamber of Mines, and the Alberta Chamber of Mines, that we should be able to discuss this mineral development strategy. We are suggesting this meeting be held in Yellowknife in early and mid month after you have had the document available to us.

We look forward to a positive, and productive document which will help us to move forward in the mining industry for the people of the north, for all Canadians, and for Canada's mining industry.

Yours very truly,

Ronald J. Hawkes,
President.

RJH/ew
cc: C. Kelly
C. Kelly
X. Fagg



Northwest Territories Chamber of Mines
Box 2018 Yellowknife, N.W.T. X0A 1H0 Phone 873-5201

SEP 18 1978

INVVOYEMAR - SENT BY
DEX/TELEX
SEP 18 1978

COMCEN

Mr. Ronald J. Hawkes,
President, Northwest Territories Chamber of Mines,
P.O. Box 2018 Yellowknife, N.W.T.
X0A 1H0

Dear Mr. Hawkes:


Your letter of July 26 and your subsequent telex of August 25 put forward a number of useful suggestions with respect to the Chamber's current strategy and the many thanks are due to you for your meeting in Yellowknife to discuss the strategy paper.

I wholeheartedly agree with this suggestion which I understand was discussed at your meeting with Ben Oostenill on September 7. That discussion and others which we have had with the other representatives of the Chamber of Mines, and the Yukon Chamber of Mines, have been most helpful in the development of our current strategy paper than we had a place on the industry for current. Accordingly, I would be grateful if the N.W.T. Chamber of Mines would expedite a meeting in Yellowknife in early or mid month after you have had the document available to us. We are suggesting this meeting be held in Yellowknife in early and mid month after you have had the document available to us.


My preference is for a closed meeting with a small number of representatives of active exploration companies and operating mines in the two territories. A meeting representative of each territory would be most helpful. I am sure that you will find it agreeable to you, I would ask that meeting be held with Mr. Oostenill directly examining arrangements for the meeting.

As a reaction value for an agenda, enclosed is a copy of a presentation made to me recently by my officials.

Thank you for your cooperation.

Yours sincerely,

Hugh Faulkner.

Attach.



Northwest Territories Chamber of Mines
Box 2018 Yellowknife, N.W.T. X0A 1H0 Phone 873-5201

October 11, 1978

Honourable J. Hugh Faulkner,
Minister of Indian Affairs and Northern Development,
Ottawa, Ontario.

Dear Sir:

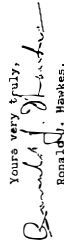
Re: October 13, 1978 Meeting

I am pleased to confirm that I have arranged for the senior representatives of many active exploration and production mining people to meet with you in Yellowknife on October 13/78 at 9:00 A.M. in Northern United Place. I have also arranged for a meeting to be held in the Explorer Hotel from 6:30 to 8:30.


As I have met with these senior mining people, we have been able to arrive at three basic steps which we believe are fundamental to the serious development of a Northern Mineral Strategy. These steps are: 1. to develop a Northern Mineral Strategy, all be endorsed by you, and then be followed by a lengthy co-operative industry-government, development and implementation of a Northern Mineral Strategy.

I have attached to this letter the three steps in the form of a policy statement which we visualize as the type of statement to be used by the Chamber of Mines. It is a statement of the Chamber of Mines, and it is a statement of the Chamber of Mines, and it is a statement of the Chamber of Mines. These three steps with you and, as time permits, to explore these steps listed on the agenda prepared by your officials.

As I have said in the past, we do appreciate the many times you have met with us, and we look forward to this being the most productive.

Yours very truly,

Ronald J. Hawkes,
President.

RJH/ew
Enclosure



Northwest Territories Chamber of Mines
Box 2018 Yellowknife, N.W.T. X0A 1H0 Phone 873-5201

October 18, 1978

Honourable J. Hugh Faulkner,
Minister of Indian Affairs and Northern Development,
400 Laurier Avenue,
Ottawa, Ontario.

Dear Mr. Faulkner:

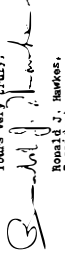
On behalf of the Northwest Territories Chamber of Mines, I wish to thank you for coming to Yellowknife to meet with members of the mining industry active in the north.

My evaluation of the meeting is that it was very successful, and it was the reason for this success was your willingness not only to listen to what we had to say, but also to hear what we had to say was certainly a key factor in making our deliberations work.

Our joint development of a Northern Mineral Strategy will not be a very easy task. There will be ups and downs, and there will be times when we will be right to use and down. In the Hay River, "only together can we bring about a balanced or responsible resource development" for the Northwest Territories.

I have included with this letter a copy of the six points which we agreed upon, and which I read to you at our dinner on Friday, October 13.

Thank you again for meeting with us.

Yours very truly,

Ronald J. Hawkes,
President.

RJH/ew
Enclosure

 Minister
Indian and Northern Affairs / Ministère
Affaires indiennes et du Nord

Ottawa, Ontario K1A 0H4
October 16, 1978

Mr. Ron Hawkes
President
Northwest Territories
Chamber of Mines
Post Office Box 2818
Yellowknife
Northwest Territories
X0E 1B0

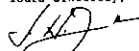
Dear Ron:

I would like to personally thank you for your participation at the October 13th Mining Industry discussion in Yellowknife. The positive attitudes generated by the meetings should help to develop a better understanding of our respective interests and concerns.

I am looking forward to receiving nominees from the mining industry for a Special Adviser on mining in my office. I also anticipate your early response as to mining industry representatives on the Consultative Committee for Joint Development of a Minerals Strategy.

In the months to come, government and the mining industry should be able to collaborate effectively to serve the interests of Canada and particularly Canada's north and its people. In the context of this cooperative spirit I wish you well in your deliberations at the Northern Resources Conference.

Yours sincerely,


J. Hugh Faulkner

Joint Communique Press Release:

FAULKNER AND NORTHERN MINING INDUSTRY MEETS

YELLOWKNIFE (October 13, 1978) — In response to the invitation of the N.W.T. Chamber of Mines, the Honourable J. Hugh Faulkner, Minister of Indian Affairs and Northern Development, met today with representatives of the Yukon Chamber of Mines, the N.W.T. Chamber of Mines, the B.C. and Yukon Chamber of Mines, the Alberta Chamber of Resources and the Mining Association of Canada.

The Minister is in the process of preparing a northern minerals policy and a strategy for its implementation as part of his continuing concern about planning for economic development of the North, and as one specific follow-up of the Hay River Conference held in April of this year.

The meeting with mining industry representatives was the beginning of a structured dialogue to obtain advice on an industry which the Minister agrees is fundamental to the future economic prosperity of the North.

The discussions touched on policy objectives, policy elements and ways and means of policy implementation. At its conclusion, the Minister and industry representatives agreed to continue the dialogue by striking a Consultative Committee for Joint Development of a Minerals Strategy. The purpose of the Committee would be to provide advice to the Minister while the Federal and Territorial governments develop a Northern Minerals Strategy.

The Minister further announced that he would be pleased to appoint to his own office a Special Advisor on mining during the preparation of a Northern minerals strategy.

The mining industry representative responded favourably to this means of facilitating their input to federal policy and agreed that the Special Advisor would act to support the Consultative Committee.

Mine Inspection Transfer

On October 13, 1977 a meeting of senior management officials from operating mines in the Northwest Territories met in the Chamber offices at Yellowknife to discuss what appeared to be an imminent transfer of the Mining Inspection Service from Federal to Territorial Government. The operators strongly urged that the Chamber place their views before appropriate authorities without delay. Subsequently on October 19 a letter was written to the Commissioner of the N.W.T. expressing their concerns. On November 22 one of the Chamber Directors met the Commissioner to go over the concerns in detail.

The Commissioner advised the Chamber to take their views to the Honourable Hugh Faulkner, which was done by letter on December 16, 1977.

On January 11, 1978 the Chamber and Member Companies received from the Regional Director, Department of Indian & Northern Affairs, a document titled, "A Proposal to Transfer the Mining Safety Inspection Service From Federal to Territorial Administration". Officials of the Chamber met the Honourable Hugh Faulkner in Yellowknife on January 20 to discuss the proposal and again on January 27 the mine operators met in the Chamber office to further discuss the matter. A meeting was held with the Regional Director Mr. Hornal on March 13, with Assistant Commissioner G. Mullins and Director Mr. V. Irving of the N.W.T. Government also in attendance.

In all its communications, either by letter or in person with the Commissioner, the Honourable Faulkner and Government officials, the Chamber of Mines has centered its remarks about the transfer around four major areas of concern: organization, staffing, jurisdiction and philosophy. The Chamber presented its views in a brief to the Regional Director dated April 3, 1978 recommending against the transfer at this time. Since that time the Chamber has heard nothing back from the officials concerned.

Surface Leases

On February 17, 1978 the Chamber received a letter from Mr. N. Adams, Supervisor of Lands, concerning special surface lease covenants under review by his office to ensure two prime objectives: 1) on-going maintenance of disturbed surface areas of mine sites with a view to ensuring both an aesthetically appealing condition of the sites and continuous positive environmental protection measures where not provided under other legislations; and 2) to ensure that on the closure of an operation, a minimum of clean-up and restoration work would remain to be completed.

A meeting was held in the Chamber office on March 14 to discuss the covenants. Mr. Adams wrote again on March 22 giving further clarification of what was intended and providing a selection of typical lease covenants.

Since that time the Chamber has solicited opinions from several managers of operating mines in the Northwest Territories and legal opinion on a number of clauses in the lease document.

Chamber officials and members of senior management from some of the operating mines in the Territories met in Yellowknife on September 21 to go through a draft brief which is to be presented to the Regional Director concerning the suggested surface lease covenants. At that meeting the managers requested that the Chamber engage the services of a solicitor to draft up a surface lease document that would be appropriate for the Northwest Territories. This work is presently underway and is being funded by the operating mines.

Economic Development Conference - Hay River, May 1978

The Minister of Indian Affairs and Northern Development, Hugh Faulkner, convened a conference to discuss and review the economic prospects for the Northwest Territories. Panelists and delegates from over 40 communities were present, and took part in workshop sessions held over the three days.

A recurring theme in the conference was the urgency to settle the land claims issues. Mr. Ronald Hawkes, President, Northwest Territories Chamber of Mines, suggested to the native groups that now was the time to become directly involved in the exploration and mining industry. This could be accomplished in a number of ways, including joint ventures, and working directly in the industry. Mr. Hawkes urged that it was possible for exploration and mining activity to continue while the land claims were being negotiated. He called for a responsible approach, with groups working together instead of in opposition to each other.

The conference concluded with the establishment of a Special Business Advisory Committee to monitor and advise the Minister, Mr. Faulkner, and the Commissioner, Mr. Hodgson, of progress made on suggestions and resolutions presented at the conference.

Members of the Special Business Advisory Committee

Chairman - Jim Robertson, Mayor of Inuvik

Bill Lyall - M.L.A. for Central Arctic

Charles Charlo - Chief of Rae Edzo Band

Rod Douglas - N.W.T Chamber of Mines

Louis Tapardjuk - President, Canadian Arctic Co-operative Federation

Charles Overvold - President, Metis Association of N.W.T.

The committee plan to issue a final report early in 1979.

Committee on Canada Mining Regulations

A committee was formed after the last annual general meeting to study the new Canada mining regulations. Several points of concern were discovered and a brief containing these points was presented to the government for consideration. The committee believes that there are amendments to the regulations on the way and we hope the points we have brought up will be incorporated.

Committee on Employment and Training of Northern Residents in the Mineral Industry

The N.W.T. Chamber of Mines Committee on Native Employment and Training has had several meetings with federal and territorial government departments in the past year. These meetings culminated in the recent employment and training seminar held in Yellowknife and attended by members of the Chamber of Mines, Government departments and three oil company native employment and training personnel. After a very informative and interesting meeting a committee was formed to evaluate the present and future skilled labour needs of industry as a whole and to formulate proposals for filling these needs taking into consideration industries' and governments' general concession that these needs ought to be filled by local people. This committee will report back to all those at the seminar within six months.

Committee on Parks

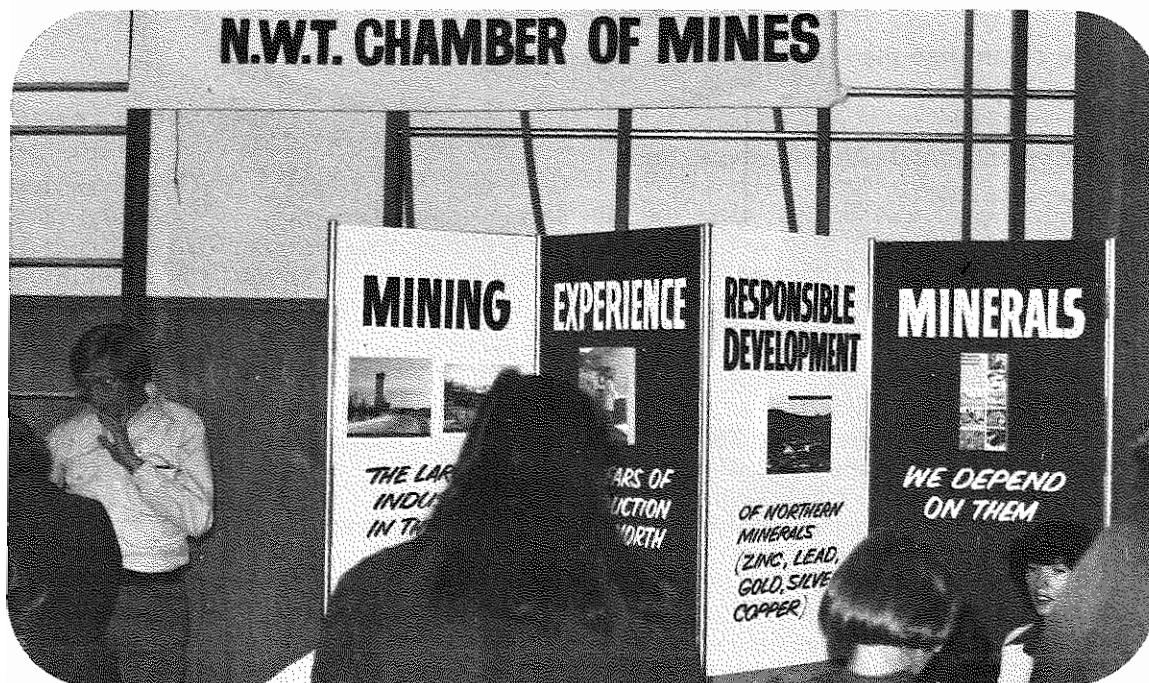
In mid-year, your Chamber commissioned a study to investigate the 6 new areas Parks Canada proposes to put into a Reserve State, pending studies and consultations prior to making 6 new Parks in the N.W.T. The study has shown that the problem of reserves of all kinds, as well as proposed Parks, is going to be of very serious consequences to the Mining Industry unless something is done to reverse the trend.

Presently, the Mining Industry has a cloud of uncertainty affecting development, hanging over nearly 600,000 square miles of the 1.3 million square miles in the N.W.T. A long hard battle that must be fought on the basis of orderly development of our resources, versus total land withdrawal for land or animal protection, has just begun.

Your Chamber is committed to continue the fight for the right to explore for, and develop resources, along with protection of the land and environment. We feel the two can live in harmony, and ask for your support in this matter.

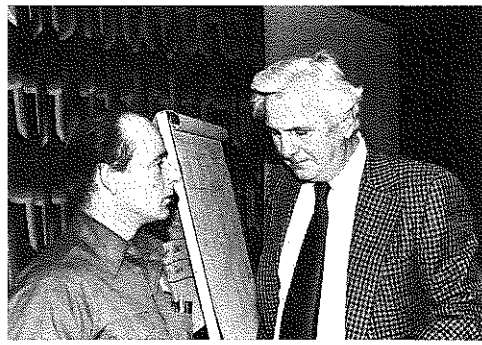
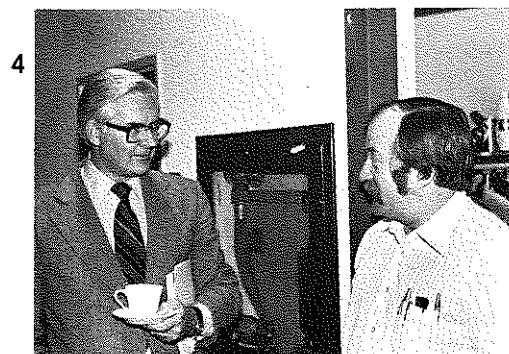
Mineral Awareness Program

The program began in response to a need to improve the image of the mining industry in the N.W.T. A mining map and poster has been distributed throughout the Territories in the hope that its message "Talk With Us" will encourage communication about the mining industry between the general public, students looking for a career, governments and the mining industry. The Chamber held a Mining Day in 1978 and had a display booth at Yellowknife's Fall Fair.



Fall Fair, Yellowknife — Wilf Meyer, of Giant Yellowknife Mines, explains a mineral sample to an interested visitor to the display while A. Cassidy of the Chamber gives raffle tickets to the crowd interested in winning an ounce of gold.

Pictures from the 11th Annual Meeting and Dinner



(1) from L to R: R. Macrae, Placer Development Limited, R. Hawkes, President, NWT Chamber of Mines, Noranda Exploration Company, J. Parker, Deputy Commissioner, NWT, N. Patriquin.

(2) Guests at the annual dinner held in conjunction with the Geoscience Forum in Yellowknife.

(3) from L to R: R. Hawkes, Noranda Exploration Company, E. Debicki, Inco Limited, N. Patriquin, D. Nickerson, dinner speaker and Territorial Councillor, Government of the NWT.

(4) from L to R: D. Emery, Director, NWT Chamber of Mines, Giant Yellowknife Mines; J. Guant, Essex Minerals.

(5) from L to R: K. Rasmussen, Drilling Contractor; C. Vaydik, Prospector, Director, NWT Chamber of Mines.

(6) from L to R: A. Cassidy, NWT Chamber of Mines; D. MacPhail, Director, NWT Chamber of Mines, Con Mine.

(7) from L to R: T. Shearcroft, Exploration Services, Director, NWT Chamber of Mines; R. Cheesman, Saskatchewan Mining Association.

(8) from L to R: R. Hawkes, Noranda Exploration Company; R. Douglas, Director, NWT Chamber of Mines, Cominco Northern Group.

MINING REPORT N.W.T. 1978

CANTUNG commenced a mill enlargement programme that is expected to double tonnage milled by mid 1979.

	Tons Milled	Production stu WO ₃
1978	194,740	318,085
1977	185,629	251,813

CON'S new Robertson Shaft became fully operational and most operations were moved from the "C" shaft area to Robertson Shaft.

	Tons Milled	Production oz Au	oz Ag
1978	219,981	114,492	28,296
1977	157,295	92,858	22,875

ECHO BAY doubled underground ventilation with the completion of eight foot diameter boreholes from surface to the 9th level and installation of a larger heated air ventilation plant. Five weeks' production was lost due to a mill breakdown.

	Tons Milled	Production oz Ag	lbs. Cu
1978	37,734	2,387,980	514,999
1977	34,243	2,113,967	536,720

GIANT YELLOWKNIFE continued production from open pits and underground where most of the ore is from blasthole stoping.

	Tons Milled	Production oz Au	oz Ag
1978	396,657	95,412	24,777
1977	446,116	108,141	20,658

NANISIVIK operations were normal except for a breakdown of the jaw crusher that resulted in the loss of half a month's mill production.

	Tons Milled	Production lbs. Pb	lbs. Zn	lbs. Cd	oz Ag
1978	633,067	15,959,099	160,900,000	519,406	962,940
1977	601,994	20,471,916	148,482,015	463,848	915,632

NOREX produced ore for the Terra mill for less than four months of the year.

	Tons Milled	Production oz Ag	lbs. Cu	lbs. Pb
1978	7,837	770,946	44,611	170,543
1977	7,908	447,056	8,899	—

NORTHRIM operations were closed down in June 1978.

	Tons Milled	Production oz Ag
1978	4,139	15,000
1977	3,752	15,000

PINE POINT operations were routine except for a three-week summer shutdown to control zinc concentrate inventory levels.

	Tons Milled	Production lbs. Pb	lbs. Zn
1978	3,290,479	163,656,540	357,070,280
1977	3,442,821	137,525,857	332,972,508

TERRA operations were routine for the first eight months. Operations were intermittent during the last four months while construction of borehole ventilation and production shafts commenced.

	Tons Milled	Production oz Ag	lbs. Cu
1978	28,306	696,820	46,406
1977	29,051	1,040,987	157,800

STRIKE LAKE RESOURCES carried out some limited "high grading" at their property near the former Beaulieu Mine. No production was reported.

METAL PRODUCTION SUMMARY

Gold	1978	209,904 oz	\$ 50,586,864
	1977	200,999 oz	32,063,079
Silver	1978	4,886,759 oz	30,341,886
	1977	4,576,175 oz	23,933,395
Copper	1978	606,016 lbs.	448,452
	1977	703,419 lbs.	443,154
Lead	1978	179,786,182 lbs.	65,801,743
	1977	157,997,773 lbs.	48,979,309
Zinc	1978	517,970,280 lbs.	176,109,890
	1977	481,454,523 lbs.	149,250,902
Cadmium	1978	519,406 lbs.	1,168,663
	1977	463,848 lbs.	1,391,544
Tungsten	1978	318,085 stu	41,351,050
	1977	251,813 stu	38,779,202
TOTAL METALS	1978		\$365,808,548
	1977		294,840,585

The year was the first fatality-free year in the industry since 1963. It also marked the fourth consecutive year without a fatality to underground workers.

Courtesy of Dept. of Indian and Northern Affairs
and N.W.T. Mines.

Statement of Revenue and Expenditure for the year ended October 31, 1978

Revenue	1978	1977
Geoscience Forum	\$ 3,717	\$ 825
Government Grants	18,925	10,000
Membership Dues	19,149	5,820
Mining Day Contributions	6,140	—
Interest	357	328
Prospector's Course	500	652
Staker's and Blaster's Course	—	1,461
	<u>48,788</u>	<u>19,086</u>
Expenditure		
Advertising and Promotion	7,354	125
Annual Meeting	72	1,273
Telephone and Telegraph	881	764
Delegate Travel Expense	7,019	4,887
Depreciation	157	196
Geoscience Forum	3,341	131
Insurance	40	40
Library and Maps	67	65
Luncheons	541	607
Mining Day	6,121	—
N.W.T. Mining Industry Study	2,675	—
Office Supplies	970	531
Photocopies	1,204	975
Professional Fees	2,360	698
Prospector's Course	—	465
Rent	3,000	2,880
Salaries	8,018	6,740
Scholarships and Awards	150	313
Staker's and Blaster's Course	—	1,461
	<u>43,970</u>	<u>22,151</u>
Excess of Revenue Over Expenditure	<u>\$ 4,818</u>	<u>(\$3,065)</u>

In our opinion these interim financial statements present fairly the financial position of the Society as at October 31, 1978 and the results of its operations for the period then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding period.

Hinchey & Company
Certified General Accountants
Yellowknife, N.W.T.

Board of Directors - 1978

President

Ronald J. Hawkes, Assistant Manager, Noranda Exploration Co. Ltd.

Vice President

Anthony Shearcroft, Mining Contractor

Secretary Treas.

Charles Vaydik, Prospector

Past President

A. David MacPhail, Manager, Con Mine, Yellowknife

Directors

Michael Brezinski, Prospector

Roderick P. Douglas, Cominco Group Vice President, Yellowknife

David J. Emery, President Operations, Giant Yellowknife Mines Ltd.

William G. Knutsen, President, Precambrian Mining Services Ltd.

Robert W. Spence, Exploration Superintendent, Giant Yellowknife Mines

Regional Advisory Committee

D.C. Rotherham, Canex Placer Ltd., Vancouver

D. Sawyer, Norcen Resources Ltd., Calgary

G. Woollett, Trigg, Woollett Consulting Ltd., Edmonton

M.R. Keys, Consultant, Winnipeg

G.R. Kent, Conwest Exploration Co. Ltd., Toronto

Serge Lavoie, SERU Nucleaire (Canada) Ltd., Montreal

Zarko Nikic, Pine Point Mine, N.W.T.

K.G. Collins, Cantung Mine, N.W.T.

R. Phillips, Echo Bay Mine, Port Radium, N.W.T.

D. Brace, Terra Mining & Exploration Ltd., Edmonton

J.E. Marshall, Nanisivik Mine, N.W.T.

R.L. Cheesman, Consultant, & Sask. Mining Association, Regina

MEMBERS 1978

AGIP Canada Ltd.	Long Lac Mineral Exploration
Amex Northwest Mining Company Ltd.	Mattagami Lake Mines Ltd.
Anglo Development Corporation	Metallgesellschaft Canada Limited
BP Canada	Midwest Drilling
Brinco	Nanisivik Mines Ltd.
Canada Tungsten Mining Corporation	Newmont Exploration of Canada
Canadian Nickel Company Limited	Noranda Exploration Company Limited
Canadian Occidental Petroleum Ltd.	Norcen Energy Resources
Canadian Superior Exploration	Pan Ocean Oil Ltd.
Central Patricia Gold Mines	Pine Point Mines Limited
Chevron Standard	Placer Development Limited
Cominco Northern Group	Precambrian Shield Resources
Cordilleran Engineering Ltd.	Rayrock Mines Limited
Cyprus Anvil Mining Corporation	Rio Tinto Canadian Exploration Limited
Du Pont Canada Exploration	St. Joseph Explorations Ltd.
Echo Bay Mines Ltd.	Shell Canada Resources Limited
Eldorado Nuclear Limited	S.E.R.U. Nucleaire (Canada) Limitee
Essex Minerals Company	Strathcona Mineral Services Limited
Falconbridge Nickel Mines Limited	Texasgulf Inc.
Giant Yellowknife Mines Limited	Trigg Woollett Consulting Ltd.
Gulf Minerals Canada Limited	Union Carbide of Canada Limited
Hudson Bay Mining and Smelting Co., Limited	Union Oil Co. of Canada Ltd.
Imperial Oil Limited	Uranerz Exploration
Kennco Explorations (Western) Limited	Uranengesellschaft Canada Ltd.
	Western Mines Limited

Service and Supply Companies

Braden Barry Expediting	Laronge Aviation Services Ltd.
Connors Drilling	NWT Airways Ltd.
DWW Enterprises Ltd.	Precambrian Mining Services
Fashionette Beauty Lounge	Shirley Helicopters Ltd.
Gateway Aviation Ltd.	Territorial Blasting Ltd.
Hinchey & Co.	Wardair Canada Ltd.
Halfordahl & Associates Ltd.	Weaver & Devore Trading Ltd.
Koenen's Air Service Ltd.	Yellowknife Inn
Knud Rasmussen Drilling and Blasting	

Individuals

L. Anderson	J. Fair	T. Shearcroft
J. Black	G. Exley Farren	A. Smith
N. W. Boss	D. Hill	B. Spence
E. Braden	B. Hodgson	R. Spence
M. Brezinski	W. S. Holden	M. Sugimotohara
D. Byrne	M. Jacobson	C. Vaydik
J. Black	A. Moore	B. Watson
R. Carroll	B. Olexin	B. Weir
W. A. Case	A. Redshaw	R. L. Williams
R. Castelli	D. F. Reid	H. P. Wilton
Dr. R. L. Cheesman	G. Reimann	
J. F. Doucette	B. Rollins	