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USE OF SNOW VEHICLES IS PROPOSED FOR WILDERNESS

(Western Mining News, Sept. 1972)

A plan to use snow vehicles to haul copper and silver ore out of a proposed wilderness area in the Cascade Mountains east of Seattle has been offered to the Forest Service.

Several conservation groups earlier this year successfully fought an attempt by the Forest Service to provide a mining trail to the same area, La Bohn Gap. The idea to haul the ore out over the snow was presented by James R. Lindl, a director of a newly formed Canadian company, Ore-Timber Industrial Slide Ltd. "We would wait for the snow, pack it down, and go over the top of everything," Lindl said. "We wouldn't bother anything."

No application to cross the federal land has been filed. Lindl said he hopes to meet next week with conservation leaders to explain his plan. "It appears as though this method - the use of snow vehicles - shows promise as being one of the better methods of removing ore from the property considering the environmental impact," Don R. Campbell, supervisor of the Snoqualmie National Forest, said.

The La Bohn Gap mining claims are about seven miles from a road on the Middle Fork of the Snoqualmie River near Hardscrabble Creek in an area that has been proposed for classification as a wilderness area.

The Forest Service had begun construction of a \$144,000 trail to the claims, but stopped after a suit was filed in federal court by the Alpine Lakes Protection Society, Sierra Club and North Cascades Conservation Council. The claims are held by the Cougar Development Corp. of Spokane. Lindl said his company has enough proxy votes from Cougar stockholders to take over the mining operation, if a permit can be obtained for the removal of the ore.

Campbell said if a permit is filed for the ore-hauling plan, the Forest Service is required to make an environmental analysis report, which could take five months. Lindl said he wants to ship ore next winter. If a controversy develops, or if the analysis shows a significant environmental impact will be caused, an environmental impact statement must be developed. This could take a year.

Lindl said there is \$1.2 million in ore at the site, but he added that "it is by no means a proven mine, but it definitely warrants more small-scale development of the property." Lindl's proposal calls for the use of two small snow machines, each hauling one sled. Each sled would carry about 2,000 pounds of ore. The operation would cease before the snows melt.

The Alpine Lakes Protection Society is seeking creation of a 364,000-acre wilderness area between Snoqualmie and Stevens passes. It would be surrounded by a 562,000-acre national recreation area. La Bohn Gap would be within the wilderness area.

#### NEW CONSULTANTS

The Alaska Division of Geological and Geophysical Surveys maintains a list of consultants available for work in Alaska. If you are interested in having your name on the list, please provide the following information and return it by November 15, 1972 to the Division office at College. Please send your name, address, firm name or principal members of firm, and the type of service offered, whether geologist, engineer, driller, assayer or prospector.

#### CONTRACT FOR COMMERCE STUDY

According to information received from Senator Ted Stevens, the Federal Maritime Administration has recently awarded a contract for a comprehensive study concerning the future of commerce in the Arctic. This study will examine all facets of commerce development in the Arctic including the production and shipping of gas and hard minerals as well as oil, although it will primarily focus on requirements for marine transportation systems and port facilities in support of Arctic commerce.

Specific study areas include oil, gas and mining industry marine operations, tug barge systems and support services including navigation and communications, environmental predictions, pollution abatement, utilities and labor.

The study will be performed by the Arctic Institute of North America working in conjunction with several private companies.

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#### GOLD INVESTMENT FAVORITE IN TIMES OF RAPID INFLATION

By Robert Metz (New York Times)

There's always talk in arcane circles about gold and its role in the modern world. Few Americans know much about it since they have not been permitted to own it outright since the dark days of the depression - back in 1932.

But gold is a big item in Europe. The average foreign investor - alarmed with European inflation, now running around 6 per cent on the average, is beginning to seek protection against sliding values through the purchase of this ancient trading commodity - of which there is a limited supply. He reasons that his government keeps inflating the currency and that the only way to keep even is to find value that cannot be depreciated. The answer for many sophisticated people is gold.

Individual Europeans are estimated to hold approximately 5,000 tons of gold in their investment accounts. In all, there are about 90,000 tons of gold in the world hoard - if you don't count what's still in the ground. Of that 90,000 tons, roughly half is lodged in the world's central banks, including some 8,500 tons in the U. S. crypts. At the current official price of \$38 an ounce, our tonnage is worth \$10.5 billion. But in the world market, gold brings a much higher price as it responds to supply and demand factors which have largely been legislated out of existence in the United States.

The yellow metal was worth about \$65.20 an ounce in the London free bullion market in midweek. It has been moving up steadily in price since August 1970 and a new flurry of price forward dramatically last January.

We asked John C. Van Eck, president of International Investors, Inc., a mutual fund, whether he thought the gold rush would continue. Van Eck, 56, trained as an economist at the Harvard Graduate School of Business and New York University, has a vested interest in the subject. International Investors, a \$10-million investment vehicle, has more than 88 per cent of its common stock portfolio in gold-mining issues.

The fund is a leader in performance this year and has had success over the last five years. Why so strong lately? "It's our concentration in gold mining stocks, which have advanced over 70 per cent this year. We look for further rises. We think the bull market in gold mining stocks began in earnest in January and will continue for several years."

Van Eck went on to detail what every investor ought to know - in his view, of course: "European investment demands for gold are clearly growing. These investors could conceivably increase their holdings annually from the 1971 rate of 80 tons to over 500 tons a year within the next five years. This represents about 40 per cent of the 1,260 tons of newly mined gold produced last year.

The Russians may sell an additional 100 tons yearly, and - as the price rises - new mines will inevitably come into production. This will represent to some degree new discoveries and to a degree new workings of older mines that couldn't be operated profitably at earlier prices. Meanwhile, older mines will be played out and the annual new supply - everything considered - is likely to stabilize at 1,300 tons a year for the next 10 years. The demand for the metal in manufacturing - jewelry making etc. - will undoubtedly be cut back from the 1,300 tons consumed by this sector of the demand in 1971. This kind of use will be discouraged by rising prices caused by the strong investment demand. In my opinion, it is inevitable then that the free market price will continue to rise. There will be dips, of course. However, the long-term trend is still strongly upward. Thus, the American who wishes to cash in on inflationary trends abroad might well consider buying shares of gold mining stocks.

He can buy Homestake at home, Campbell Red Lake Mines Ltd., and Dome Mines Ltd., in Canada. He may wish to buy some South African producers where 78 per cent of the free world gold is scooped out of the earth. There is the President Steyn Gold Mining Co. Ltd., Hartebeestfontein Gold Mining Co. Ltd., Lkoof Gold Mining Co. Ltd., and West Driefontein Gold Mining Co. Ltd., among others.

Again, in my opinion, it is only a question of time before gold reaches a minimum price of \$100 an ounce in the free world market - that assumes of course that the central banks will bow to political pressures and continue their expansionary monetary policies.

FORMER EMPLOYEE DECEASED

The Division has received news of the death of Martin Jasper last June in Blaine, Washington. Martin was employed as a mining engineer by this division and its predecessor divisions for 14 years beginning his employment for the Territorial Department of Mines in 1953. He became a consulting engineer in 1967 and represented private industry until his retirement two years ago.

Martin first came to Alaska as a summer employee of the Lucky Shot Gold Mine in the Willow Creek District north of Anchorage while still a mining engineering student at the University of Washington.

He was an active member of the Alaska Miners Association and the American Institute of Mining Engineers during his lifetime in Alaska.

ALASKA MINERS ASSOCIATION

The Fairbanks Chapter of the Alaska Miners Association meets the last Monday of each month. New officers installed at the September meeting include: Walt Wigger, President; Chris Lambert, Secretary; and Don Stein, Treasurer.

Chief items of business discussed included anti-pollution laws, environmental protection agency, and ways and means of refuting the bad image given mining by pressure groups.

New members are invited to attend by contacting Chris Lambert, Box 80643, College, Alaska, 99701.

NEW MINING CLAIMS

<u>Number of Claims</u>	<u>Creek or Area</u>	<u>Quadrangle</u>	<u>Date Notice Posted</u>	
12	Harrison Creek	Circle	August	1972
18	Golddust Creek	Circle	July	1972
5	Myers Fork	Eagle	June	1972
6	Ahtell Creek	Gulkana	May	1972
9	Kansas Creek	Healy	August	1972
24	Ranney Hollow	Livengood	August	1972
3	McCarthy Creek	McCarthy	May	1972
34	Maclaren River	Mt. Hayes	July	1972
29	Chisna River	Mt. Hayes	July	1972
3	Crooked Creek	Mt. McKinley	August	1972
32	Nabesna River	Nabesna	June	1972
422	Chisana	Nabesna	May	1972
24	Selawik River	Selawik	June	1972
19	Goulding Harbor	Sitka	August	1972
14	Kalsall River	Skagway	May	1972
1	McKinley Creek	Skagway	January	1972
5	Porcupine Creek	Skagway	June	1972
4	Sherret Creek	Solomon	August	1972
5	Kashwitna River	Talkeetna Mtns.	July	1972
10	Chunilna Creek	Talkeetna Mtns.	July	1972
5	Morelock Creek	Tanana	July	1972
4	Rosa Creek	Tanana	June	1972
1	Quartz Creek	Tanana	May	1972
12	Eureka Creek	Tanana	May	1972
9	Chitina River	Valdez	July	1972
3	Chitina Mountain	Valdez	June	1972
6	Hummel Bar	Wiseman	August	1972

METAL MARKET

<u>Metals</u>	<u>Sept. 29, 1972</u>	<u>Month Ago</u>	<u>Year Ago</u>
Antimony ore, stu equivalent			
European ore	\$7.03-8.16	\$7.03-8.16	\$8.64-10.00
Barite (drilling mud grade per ton)	\$18-22	\$18-22	\$18-22
Beryllium powder, 98%, per lb.	\$54-66	\$54-66	\$54-66
Chrome ore per long ton	\$24-27	\$24-27	\$25-27
Copper per lb.	50.6¢	50.6¢	52.9¢
Gold per oz.	\$64.27	\$67.15	\$42.90
Lead per lb.	15.0¢	15.0¢	14.1¢
Mercury per 76¢ flask	\$255-270	\$265	\$283-286
Molybdenum conc. per lb.	\$1.72	\$1.72	\$1.72
Nickel per lb.	\$1.33	\$1.33	\$1.33
Platinum per oz.	\$139.56	\$154.0	\$120-125
Silver, New York, per oz.	172.1¢	189.4¢	140.1¢
Tin per lb.	181.3¢	181.6¢	167.1¢
Titanium ore per ton (Ilmenite)	\$30-35	\$30-35	\$30-35
Tungsten per unit	\$55.00	\$55.00	\$55.00
Zinc per lb.	18.0¢	18.0¢	17.0¢