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Territory of Alaska
Department of Mines

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TDM BULLETIN

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TIN MARKET INFORMATION

The Suez Canal situation caused a flurry of excitement and a short period of scare-buying in the tin market during the past month which sent the price up to 107.9¢ per pound at one point. The price has eased back to 103-1/2¢ at the time of writing, and will probably drop further, but it could go back up again if the Canal situation grows worse. The significance of this information is that it points again to the strategic importance of Alaska's tin deposits on the Seward Peninsula.

GEOCHEMICAL REPORT

A bulletin recently received by the TDM would be a valuable library addition for anyone who is interested in geochemical prospecting. It is Geological Survey of Canada Bulletin 32, "Geochemical Investigation of the Heavy Metal Content of Stream and Spring Waters in the Keno Hill-Galena Hill Area, Yukon Territory" by Boyle, Illsley, and Green. It can be obtained from the Queen's Printer, Ottawa, Canada, for 50¢.

The bulletin describes a detailed geochemical investigation, the purpose of which was to determine the applicability of hydrogeochemical prospecting methods in a region of silver-lead-zinc deposits that occur in a permafrost zone. Results show that anomalies occur both in untouched areas and areas disturbed by trenching and underground work, and that workings which expose vein materials to leaching waters may be responsible for some of the high anomalies that otherwise might not occur if the area were not disturbed. However, the authors conclude that hydro-geochemistry can be successfully applied during a limited period of the year when the active layer of the permafrost zone has thawed sufficiently to allow spring and stream waters access to veins and mineralized areas from which they can leach heavy metals. Details of the field testing kit and the chemical procedure used in the investigation are included.

NEWS FROM AMERICAN MINING CONGRESS BULLETINS

SEC REGULATIONS: The Securities and Exchange Commission has announced that further amendments of its Regulation "A", which governs stock issues of \$300,000 or less, are presently under consideration.

These proposed amendments would have the effect of making the general exemption from registration under the Securities Act of 1933, which is afforded by Regulation "A", available only to issuers and offerings meeting specified standards, based either upon the existence of a record of net earnings or upon a limitation of the number of securities to be issued.

Four alternative proposals are under consideration by SEC. Under the first, the exemption afforded by the regulation would be available only if the issuer had a net income for at least one out of the last five fiscal years. Under the second, the amount of securities which could be offered would be limited to 100,000 units, except in the case of debt securities, which would be limited to 3,000 units. The third alternative would make the exemption available only to issuers satisfying both the first and second alternatives. Under the fourth, the limitation on the amount of securities offered would be applicable only to issuers who had no net income in any of the last five fiscal years; issuers who had a net income in at least one of those years could offer any amount of securities provided that the statutory limitation (of \$300,000) upon the aggregate offering price was observed.

The limit of 100,000 on the aggregate number of shares which might be offered under the regulation would mean that in the case of an issuer wishing to make an offering in the full aggregate amount of \$300,000 permitted by the regulation, the shares could not be offered at a price of less than \$3 per share since not more than 100,000 shares could be offered. If the offering price of the individual shares was less, the aggregate dollar amount of the offering to the public would have to be correspondingly reduced; for example, if the aggregate permissible amount of 100,000 shares were offered at \$1 per share, the aggregate offering price would be \$100,000.

Under any of the alternatives proposed, the exemption from the registration requirements afforded by Regulation "A" would not be available for offerings of large numbers of low-priced shares by issuers having no record of earnings. Under the first and the fourth alternatives, large numbers of low-priced shares could still be offered by those issuers which had a record of earnings, while under the first and third alternatives the regulation could not be utilized by any issuer without an earnings record, and under the second and fourth alternatives the regulation could be used by issuers without an earnings record but only for offerings of limited amounts of securities.

The Commission also announced that it has under consideration a proposed amendment to Regulation "A" which would provide that the financial statements required to be contained in offering circulars be certified by independent public or certified public accountants, and would require that the certifying accountant consent to the use of his name on the certificate.

Views and comments on the proposed amendments may be submitted in writing to the Securities and Exchange Commission, Washington 25, D. C. on or before October 15, 1956. Except in cases where it is requested that such communications be kept confidential, they will be considered available for public inspection.

USDA BARTER REPORT: The U. S. Department of Agriculture has reported that foreign-source "supplemental-type" strategic minerals contracted for in July under its barter program had a value of \$15.3 million. The minerals are: Beryllium-copper master alloy, \$9.9 million; manganese ore, \$3.4 million; mica, \$1.2 million; and cadmium, \$800,000.

The Department has also announced that during the fiscal year which ended last June 30, Barter contracts for "supplemental-type" strategic minerals totaled \$104.9 million, as follows: Bismuth, \$900,000; cadmium, \$5.1 million;

diamonds (industrial), \$26.2 million; ferrochrome-silicon, \$10 million; ferro-manganese, \$46.1 million; fluorspar, \$11.8 million; manganese ore, \$200,000; mica, \$700,000; palladium, \$1.7 million; and rare earths, \$2.2 million.

The Department identified all the minerals listed in its report as "supplemental-type." Presumably the lead and zinc it contracts for under the barter program come under "minimum" or "long-term" stockpile classifications, and any information as to totals is not divulged.

CHROME ORE BARTER: The U. S. Department of Agriculture has invited offers for the exchange of \$15 million worth of wool for Turkish metallurgical-grade chrome ore meeting national stockpile specifications. The wool was acquired by the Commodity Credit Corp. under its price support program.

The Department announced it is sending letters to all firms known to the Department to be interested in participating in the proposed barter transaction. Further information may be obtained from the Barter and Stockpiling Division, Commodity Stabilization Service, U. S. Department of Agriculture, Washington 25, D. C.

E. AND M. J. METAL MARKET PRICES

	<u>Sept. 27</u> <u>1956</u>	<u>Month</u> <u>Ago</u>	<u>Year</u> <u>Ago</u>
Copper, per lb.	39.6¢	39.7¢	43.7¢
Lead, per lb.	16¢	16¢	15¢
Zinc, per lb.	13-1/2¢	13-1/2¢	13¢
Tin, per lb.	103-1/2¢	99-1/4¢	96-1/4¢
Quicksilver, per flask	\$255-257	\$255-257	\$265-270
Silver, foreign, New York	90-3/4¢	90-3/4¢	90-3/4¢
Silver, domestic, per oz.	90-1/2¢	90-1/2¢	90-1/2¢
Platinum, per oz.	\$103-108	\$103-108	\$91-96
Nickel, per lb.	64-1/2¢	64-1/2¢	64-1/2¢
Molybdenum, per lb. in con.	\$1.18	\$1.18	\$1.05
Tungsten ore, per unit	\$55.00	\$55.00	\$63.00
Titanium ore (Ilmenite) per ton	\$26.25	\$26.25	\$20.00
*Chrome ore (48%, 3 to 1 ratio) per ton	\$115.00	\$114.00	\$115.00

*GSA guaranteed stockpile price. Not quoted by E. & M. J.

GOLD MINING QUESTIONNAIRE

The following questionnaire is being sent to former gold producers for the purpose of furnishing information to Congress on how an increased price would affect the flow of gold into Fort Knox. We reproduce it here so that Alaskan producers who may otherwise be missed will have a chance to answer it and do their bit to help the cause.

Gentlemen:

Senator James E. Murray, Chairman of the Interior and Insular Affairs Committee, is to handle an investigation of the gold question in the next session of Congress for the purpose of determining, for one thing, how much new gold can flow regularly into Fort Knox if the Government gives substantial help to the mines. This questionnaire is being presented for the purpose of compiling reliable data on possible production. It is the most vital information that we can put into the hands of the Committee. Will you review all the circumstances at your mine or mines to determine what you can do if you got \$70 gold?

1. If it is possible to obtain sufficient subsidy to bring gold to \$70 an ounce, can you operate? _____
2. If you've been closed down since the L-208 order in 1942, how many ounces of gold annually can you produce now with a \$70 price? _____
3. If you have been operating to some degree, or producing gold as a by-product, how many additional ounces annually can you produce with a \$70 price? _____

This questionnaire is being endorsed by a number of prominent gold mine owners, who have made a study of how best to get a proper price income for gold, and it is believed that what will interest the lawmakers at Washington most is HOW MUCH NEW GOLD can go into Fort Knox each year. So, this questionnaire is being mailed to about 800 potential producers of new gold whose mines have mostly been closed for 20 years. The replies will be carefully compiled and the results will be sent to the Investigating Committee. We have a great opportunity. Please do not fail to reply.

Send your reply to H. E. Bush, 410 Thorne Avenue, Box 886, Fresno, California. This is the point of compiling the results.

Name _____ Mining Company _____
City _____ State _____
Date _____