

Creditors Accept New Deal

O. G. MacDonald, president of Cowichan Copper, said today he will make another attempt to get the company's Sunro mine back into production.

MacDonald said he will try to raise new financing after company creditors had voted today to accept a new Cowichan debt proposal.

About 44 creditors attended a special meeting in the Elk's Club.

The company has debts totaling \$3.9 million. Of this \$2.1 million is owed to unsecured creditors of March 5, 1964 when Cowichan first filed a proposal under the bankruptcy act. A few months earlier, a flood had halted production at the mine on Vancouver Island.

In addition, Aetna Investment Corp., which put the mine back into production last year before pulling out in September, is owed \$987,000. Unsecured creditors owed money during Aetna's management rein represent more than \$237,000. The remaining debt is taken up by secured and preferred creditors.

Under the new Cowichan proposal, creditors owed money in 1964 will get 40 cents on the dollar when and if the company earns profits from the mine.

Aetna, and other recent creditors, would receive 70 cents on the dollar.

Today's meeting, which was not open to the press, was chaired by lawyer Malcolm King in the absence of trustee Ian Bell.

King said afterwards that creditors representing \$1.8 million approved the proposal and creditors representing \$200,000 voted against.

The new proposal now has to go before the Supreme Court for approval.

MacDonald said he is confident the mine can still be run on a profitable basis.

"I told the creditors that I wouldn't be wasting their time or mine unless I believed I could raise new financing."

Largest unsecured creditor is the Mercantile Bank of Canada which stands to get 40 per cent of the \$1.54 million it is owed if the Sunro mine makes sufficient profits in the future.

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