Troudor Resources hopes to reactivate the <u>Silence Lake</u> tungsten mine near Clearwater, B.C., which was previously operated by **Dimac Resource Corp.** Brought into production at a cost of \$2.7 million, the company processed approximately 20,000 tons of ore grading 1.2% WO₃ before being put into receivership by its bank which held a first mortgage debenture for \$2.2 million. The mine ceased production in 1982.

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Dimac's receiver, Price Waterhouse, accepted an offer from Troudor for \$217,000, free and clear of all liens and encumbrances, giving Troudor a mill with a rated capacity of 110 tons with both flotation and gravity circuits. Included in the package are: generating plants, an assay lab, camp facilities and a spare parts inventory. The mill is now shut down and start-up costs would be minimal, says Troudor.

There are some 1.500 tons of ore stockpiled near the mill grading 1.5% WO₃ and approximately 5,000 tons grading 1.2% in the open pit and double this amount at the same grade underground, says the company. About 20.000 tons of tailings averaging 0.3% also exist near the mill.

Troudor says an extensive work program is planned for the winter months including diamond drilling and underground development work in anticipation of a production start in the spring.

According to Stephen Case, a director, the company currently has \$150,000 in the treasury and negotiations are under way for a \$500,000 convertible debenture which would carry the program to production. Whereas the previous operators fed the mill from a small open pit, any future mining would involve trackless mining underground, he states.

The two best exploration targets which lie west of the present open pit can best be tested by drifting on the lower band of ore which is exposed in the open pit, says Troudor. This would allow drilling of those two targets and possibly some delineation of additional ore reserves.

The decision to begin milling will be primarily based on the success of the underground exploration program and the status of concentrate sales contracts. Already, one company that dealt with the previous operators has approached Troudor about purchasing tungsten concentrate. 000201

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