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Orofino reports loss despite better output

Increased gold production from Orofino Resources' (TSE) Scadding project near Sudbury, Ont., couldn't prevent the Toronto-based company from having to break out the red ink.

Orofino reported a net loss of \$89,819 or just under 1¢ per share for the first quarter ended Dec. 31, compared with a loss of \$171,561 or 1¢ per share during the corresponding period last year.

First-quarter revenues increased to \$766,873 from \$579,383 in the 1988 first quarter.

The Scadding operation produced 1,600 oz. gold in the 3-month period at an average cost of US\$266 per oz., compared with 1,150 oz. in the same period last year.

As it expects the operation to produce another 5,000 oz. before stockpiled material is exhausted at the end of this year, Orofino is attempting to expand its gold output through acquisitions or joint ventures.

The company is also carrying out a grassroots exploration program for massive sulphide type mineralization north of Kirkland Lake, Ont. A \$150,000 exploration program which included almost 3,500 ft. of diamond drilling was completed recently and results are being evaluated.

Orofino is a 50.1% owned subsidiary of Northgate Explorations (TSE).

Orofino Resources (TSE)		
(\$000s except per share items)		
Quarter ended Dec. 31	1989	1988
Revenue	\$766	\$579
Net earnings (loss)	(89)	(171)
per share	(0.01)	(0.01)

Integrated Resources busy on B.C. property

Edmonton-based Integrated Resources (ASE) has started an exploration program on the company's properties near Telegraph Creek in northwestern British Columbia.

Work completed last fall on the properties located six separate zones of gold mineralization with grab sample grades ranging from 0.67 to 1.21 oz. gold per ton across widths of up to 4.1 ft. in sulphide-rich shear zones and quartz-sulphide veins.

The company says the federal government has approved an application to "grandfather" its \$500,000 flow-through share offering to include a 30% Canadian Exploration Incentive Program grant which would have been available under the CEIP program before its cancellation by the federal government on Feb. 20. Approval of the grant was based on the fact that the company's directors had approved terms of the share offering on Jan. 20, prior to the cancellation of CEIP.

Black Gregor intersects mineralized structure on Hemlo gold property

A mineralized structure has been identified over a strike length of at least 1.3 miles on Black Gregor Explorations' (COATS) gold property near Marathon, Ont.

At the completion of their latest 32-hole program, Black Gregor had identified four separate gold sections along the main break, and another zone ½ mile to the west. Mineralization along the main structure remains open to the north.

Black Gregor used widely spaced drilling to test geochemical and geophysical anomalies occurring on the break. Several holes intersected

\$1-million program planned for EGO's lead-zinc prospect

A.C.A. Howe International has recommended a \$1-million program of detailed mapping and about 20,000 ft. of drilling on a base metals property 11 km from Great Slave Lake, N.W.T.

The ground has been optioned to Asquith Resources (COATS) and EGO Resources (TSE).

The property hosts two deposits, the B-B Lake and the Kennedy Lake deposits, totalling about 1.5 million tons grading 10% combined lead-zinc, 4-5 oz. silver per ton and 0.02 oz. gold to a depth of 350 metres, A.C.A. Howe associate Kenneth Johnson says.

The B-B deposit, which has been compared with base metals deposits in the Matagami area of northern Quebec, has a true width of about 50 ft. and dips at about 65°.

Although several base metals deposits of similar grade have been found in the Northwest Territories (the Izok Lake deposit, for example), the B-B and Kennedy Lake deposits appear to be more favorably located. Concentrates could conceivably be barged across Great Slave Lake to Pine Point, Johnson says.

Work to date indicates the two deposits occur at the nose of recumbent folds in a unit of exhalite rocks at the same stratigraphic hori-

zon where felsic volcanics to the south come in contact with sedimentary rocks to the north.

Surface and down-hole pulse electromagnetic surveys conducted in 1989 indicate the presence of conductive rocks between the two deposits. This area will be mapped in detail to confirm the presence of the exhalite and will be one target of an NQ-size drilling program recommended for this field season, which begins in early July.

Diamond drilling contractor Midwest Drilling has one unit on the property.

Mineral Resources International (TSE), which operates the Nanisivik lead-zinc mine on Baffin Island, holds a 25% interest in Asquith and is financing that company's 25% portion of the joint venture project, Asquith President Jack Tindale says.

EGO is financing the other 75%.

Northair drops Deception Lake

VANCOUVER — After compiling results from a recent exploration program, Northair Mines (TSE) elected not to participate in the future development of the Deception Lake property in northern Saskatchewan.

The company had entered into

With corporate changes Citadel plans to resume

Following a major corporate restructuring and asset sale last November, Citadel Gold Mines (TSE) plans to conduct a small exploration program this year on its claims around the Surluga gold deposit at Wawa, Ont.

About \$400,000 will be spent by Citadel this season to explore the Parkhill and Dunraine properties, one mile south of the Surluga mill along a major structural shear zone.

Both properties host past gold producers (1920s), and a geochemical soil survey has identified new targets for follow-up by trenching, the company says. A preliminary mapping program has also located a previously undetected shaft on one of the properties. A program of geological mapping, prospecting and drilling is planned for this spring on the claims.

The company is seeking a joint venture partner to explore its 24

claims in Rimou which were staked lead anomalies detected by Geological Survey of Canada preliminary follow-up lies was carried out one heavy mineral assay of 0.17 oz.

As a result of liquidating, most of Citadel now held by Citabnership, a 50/50 joint venture with Citadel as the general partner, Bernard Sherman, major shareholder, is now a partner.

Citabar is raising capital by selling 10% of its shares as well as surplus assets.

Pan Orvana, a joint venture company which holds a 50% interest in the 30-claim property, where the underground would need a gold mine to be economical, can earn a 10% share of those claims.

Meanwhile, Citadel is planning to feed the Surluga mill with several local small, high-grade gold

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