

GCNL #50 11-03-80 . NEW MINEX RESOURCES LTD. 92110W 092INE043

TUNGSTEN IN IDAHO- COPPER IN HIGHLAND - Wolfgang Rauball, president of New Minex Resources VALLEY, B.C.- PETROLEUM IN OHIO REVIEWED Ltd. has reported that the company has negotiated a \$600,000 convertible debenture with the proceeds to be utilized for exploration and development of 1,600 acres of petroleum and natural gas leases in Wood, Seneca, Wyadot and Hancock counties, Ohio, U.S.A. He states that it is planned to rework some of the 81 wells on the lands, starting in the Spring of 1980. New Minex expects to farmout approximately 40% of this \$1,000,000 project to West German drilling funds. The company also has other projects under consideration.

New Minex holds an option from B.X. Development on the Trojan copper property in the Highland Valley area of B.C. New Minex is seeking to acquire other properties in the area. A major western Canadian mining company has expressed interest in the company's holdings with a view to possible joint venture participation projects during the 1980 field season, the president stated. F

An engineering report on the property by H. Brodie Hicks, P. Eng. states in part that probable ore reserves are 170,000 tons grading 1.56% copper recoverable by open pit mining methods. Operating profit per ton is expected to vary from \$3.70 at a copper price of 60¢ per pound to \$10.94 at a copper price of \$1.00 Canadian per pound. Bethlehem Copper Corporation has agreed to treat ore from the Trojan property at Bethlehem's concentrator. The road haul from the pit to concentrator is a distance of approximately three miles. R

The company's main project is the Golden Gate Tungsten Mine, Stibnite mining division, Idaho, U.S.A. in which New Minex has a 56% net working interest.

The mine and mill have seen small scale production and mill testing since 1970. In May, 1977 a European mining group, Realcommerz, advanced \$97,500 by way of investment letter with a view to raising production utilizing both underground and open pit mining methods. An exploration program was undertaken to extend known drill indicated reserves. In 1973, two diamond drill holes of 50 feet each averaged 2.5% WO₃. A feasibility study by J. Ashton, P. Eng. and J. J. Oberbillig, P. Eng., indicated a possible net smelter return of \$2,153,634 U.S. based on the price of WO₃ at the time and on the processing of 7,500 tons of the high grade zone.

A soil sampling program located several sub-parallel vein structures on the property which will be further explored.

To date, underground work on the property has included, a 320-foot crosscut with a drill station; 240 feet of drifting on the main structure; two 100-foot raises are to be driven from the drift to the surface. It is planned to drill 600 to 800 feet of diamond drill hole to test the downdip extension of the structure. The president states that, if this drilling encounters sufficient values, consideration will be given to the establishment of a lower level to develop further reserves. A 50-foot long slusher subdrift is also planned.

Road permits are expected to be received shortly to allow construction of new access to a 100-foot wide zone carrying tungsten and minor gold values.

Metallurgical work is continuing in efforts to improve recoveries.

Consideration will be given to increasing the size of the concentrating plant at such time as sufficient reserve and recovery data warrants.

Presently there are 1000 tons of ore stockpiled at the mine with plant operation scheduled to resume April 15, 1980 as weather conditions permit.