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Scottie moving closer to production

VANCOUVER — Scottie Gold Mines is on its way to becoming an important precious metal producer in B.C. despite avalanche problems which necessitated construction of a 7,700-ft. access drift to the 2,800 level. Under the apparent "midas touch" of President Donald McLeod, startup date for the 200-ton-per-day Stewart mill has been moved ahead one month to July 22, 1981.

At the annual meeting, he told shareholders that most of the underground mill had been installed and the crushing plant completed. Sufficient rock work has been done to enable future expansion of the underground mill without having to shut down that part of the operation, he told *The Northern Miner*.

Three shifts are working seven days per week and the labor problems encountered earlier in mine development have virtually cleared up, and a full complement of staff is on the property.

Four stations or levels have been cut out of the vertical shaft and these breakthroughs have resolved ventilation problems encountered earlier in mine development, reports Mr. McLeod. Contractors have been doing most of the work although Scottie's crews are involved in some stope preparation.

This summer, track will be installed in the access drift and personnel will enter the mine by locomotive to the underground mill and mining operations. Entrance to this access-way is only about 300 ft. from Scottie's camp facilities, he notes.

Mr. McLeod says grades encountered so far were actually higher than anticipated. In a raise (an inclined tunnel) from the 3,100 to 3,200 levels, he estimates grade across five ft. of raise at 3.2 oz. gold per ton for a strike length of 40 ft. For the whole raise, the average probably totals 2.0 oz. per ton, he concludes.

Published reserves for Scottie are 226,000 tons grading 0.65 oz. gold per ton (a high grade proposition by today's standards), and the company makes the point that the feasibility study for the mine was based on \$130 per ton ore. Eighty per cent of these reserves are in the No. 1 zone with several others as yet to be developed.

This reserve figure is "uncut" because Scottie doesn't have a "nugget problem" like some other gold producers, says Mr. McLeod. Gold values are equally distributed and finely disseminated in the host rock. They occur in massive sulphides associated with fault zones.

Future exploration of the mine will involve drilling from the underground since the cost and difficulty of doing so from surface, because of the mountainous terrain, is prohibitive. A "hand steel" tunnel at the 3,600-ft. elevation, driven years ago, will be the focus of a preliminary exploration drilling program, beginning this year.

Mr. McLeod, grinning, was hesitant to respond to a question posed by *The Northern Miner* about whether Northair Mines (which now has an approximate 21% interest in Scottie) would increase its equity further.

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