

More exploration for Chu Chua



Exploration will continue on the Chu Chua copper property, north of Kamloops, B.C., during 1987. Under an agreement Corporation **Falconbridge Copper** has an option on the property from **Pacific Cassiar** and partners.

Falconbridge diamond drilled the property in 1986 and plans to expend at least \$150,000 in 1987. According to the agreement, Pacific Cassiar and its two partners will each retain a 16⅔% interest in the property after Falconbridge has spent \$1.5 million. Current proven reserves on the Chu Chua property total three million tons grading 2% copper.

Through an option agreement, which expired at the end of 1986, **Teck Corp.** has spent \$1.2 million to earn a 12% interest in the **Prosperity-Porter Idaho silver prop-** 34 **erties**, near Sterwart, B.C. Both Teck and Pacific Cassiar propose to continue development under new terms.

A new high grade ore shoot found by the Teck drilling program is targeted for evaluation as to its economic potential at current silver prices.

Pacific Cassiar has also positive results to report from its oil and gas sector. Progress is being made in the negotiations to unitize the company's interests in the Blod field which, when completed, could result in doubling the cash flow from the oil and gas operations. The company also plans to bring on stream the Innisfail Pekisko gas pool where it holds interests varying from 6.25% to 60% in three wells.

According to a recent analysis, Pacific Cassiar has proven gas reserves of about 10 billion cu ft and oil reserves of 300,000 bbl. Despite lower energy prices, the company's interests in new oil wells drilled during the past two years in central Alberta have increased gross sales for oil and gas to more than \$400,000.

Under the present economic conditions, the company is taking

a cautious approach to new drilling ventures, concentrating more on the Blood, Keho and Innisfail areas, where lands are now held by the company. Pacific Cassiar is in the enviable position of remaining debt-free with \$700,000 retained in reserve.

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The 1987 exploration and development program on the **Snip** gold property, in northern British Columbia, has begun with the clearing of the site and the mobilization of a new D-5 Caterpillar tractor to build the airstrip.

Under the renegotiated agreement between **Delaware Resources** and **Cominco Ltd.**, \$1.8 million has been budgeted for this year on the accelerated program.

The work will consist of up to 30,000 ft of diamond drilling, using two drills; construction of a 3,000-ft airstrip and a winterized camp; road construction and Cat trenching; detailed geological, geochemical and geophysical coverage; and commencement of base line environmental studies.

Preliminary cyanidation tests have been conducted on sample reject material from a 13.5-m interval of drill hole 86-3. Using a 48-hr test period, recoveries of 96.9% gold and 80.8% silver were recorded.

Canada Rare Minerals has announced the acquisition of the **Blue River** rare-earth prospects, about 175 miles north of Kamloops, B.C.

The five large blocks of claims cover outcroppings of carbonatite rocks, which are known to carry anomalous values in the rare-earth elements as well as associated minerals of niobium, tantalum and strontium.

Gold values have also been assayed. The property has received limited drilling with more than two million tons of tantalum- and niobium-bearing material being indicated.

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