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THE MINING RECORD

WESTERN MINING NEWS™
AND INTERNATIONAL NEWS



Vol. 104, No. 18

SINCE 1889

Weekly Metal Prices

AVERAGE WEEKLY CLOSING PRICE	
GOLD.....Handy & Harman.....	351.85
.....London.....	351.85
SILVER.....Handy & Harman.....	4.17
COPPER, cathodes lb.....	0.87-0.89
LEAD, lb.....	.35
ZINC, high grade, lb.....	.48175
ALUMINUM, Ingot, lb.....	.5125-.5225
PLATINUM, Free Market.....	380.93
Daily Price Quotations,	Page 18

Wednesday, May 5, 1993, Denver, CO

Joint Venture Set To Reactivate Former Gold Producer

by Kevin Moe
Canadian Journalist

VANCOUVER — The old Wayside Gold mine in British Columbia's historic Bridge River mining camp is receiving attention after an exploration hiatus of several years. Not that this should come as any surprise! Five mines in the region yielded some 4.5 million oz. of gold from 1906 to 1972 and the odds appear to favor a resumption of gold production there in the not too distant future.

Two Vancouver-based companies, Wayside Gold Mines and Brigadier Resources, are taking a hard look at the Wayside mine which produced 6,000 oz. of gold from quartz veins and shears that are virtually identical to the nearby Bralorne and Pioneer mines, two of the region's most prolific past producers.

The Pioneer mine was reactivated at 100 tons per day in 1928 and subsequently produced at 400 tons per day until its closure in 1962 because the mine's reserves were exhausted. The adjoining Bralorne mine started production in February 1932 and mill throughput was boosted incrementally until production reached 550 tons per day. The mine ceased production in 1971. Veins at Bralorne have been traced to a depth of 6,000 feet and they are still open to depth which has important implications for the Wayside mine, the companies emphasize.

Since its closure, the Bralorne has undergone further exploration by E&B Explorations, Mascot Gold and Golden North which established reserves of 1.1 million tons grading 0.27 oz. gold, of which 150,000 tons grading 0.4 oz. is located above the main 8th haulage way. In addition, a number of other companies have been working in the area and many of them have delineated economic gold reserves. These reserves would probably justify the construction of a custom mill in the camp which would benefit all companies involved.

Wayside and Brigadier began work on the 4,500 acre Wayside property in 1991 and they have already established the down-dip extension of two prominent vein structures in the former producer, the Wayside and the Notman. The vertical continuity of these veins has been confirmed by drilling to approximately 330 feet below the ninth level workings where values of 2.63 oz. gold over 10



The old Wayside Gold mine in British Columbia has been dewatered and drilling is commencing from the 9th level. The mine is in the heart of the Bralorne mining camp which has produced in excess of 4.5 million ounces of gold to date.

feet and 1.84 oz. across 5.2 feet have been reported. In addition, underground sampling from levels 7 and 8 returned grab sample

values up to 3.2 oz. gold per ton and chip samples ranging from 0.4 to 0.5 oz. gold over 4.0 feet.

The main Wayside structure

is a well developed shear zone cut by numerous narrow quartz and carbonate veinlets which is exposed at all levels. Native

gold has been reported from the Main vein and ore shoots usually occur where the dips flatten

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Dated Material — RUSH

El Condor Rapidly Advancing Kemess Gold/Copper Project

VANCOUVER — El Condor Resources Ltd. has rapidly advanced the Kemess Project, located in north-central British Columbia, towards the status of a major open pit, gold and copper mine. El Condor Chairman/CEO Robert G. Hunter said that this was achieved by undertaking a wide spectrum of detailed project component studies which included drilling, bulk sampling, metallurgy, mine planning, power, transport, tailings impoundment, geotechnical, environmental and socio-economic programs.

The Kemess Project comprises two contiguous mineral claim holdings—Kemess South and Kemess North, which encompass an area of 49 square miles. El Condor has a 60% interest in Kemess South claims and a 100% interest in Kemess North claims. Kemess South Joint Venture participants are El Condor Resources Ltd. (60%) and St. Philips Resources Inc. (40%) with El Condor the Joint Venture operator. Rio Algom Limited, a participant in Highland Valley Copper, Canada's largest open pit copper mine, has acquired an approximate 30% equity interest in St. Philips and an approximate 7.7% equity interest in El Condor.

The Kemess South deposit is near surface, blanket-shaped and remarkably continuous. It measures 4600 feet east-west, 2000 feet north-south and is up to 800 feet thick.

Hunter said that based on systematic grid drilling on 330 foot centers, the Kemess South deposit's mineral reserves are 244,754,000 tons grading 0.22% copper and 0.018 ounces gold/ton. Mineable reserves are calculated at 215,966,000 tons having an average grade of 0.23% copper and 0.018 ounces gold/ton.

Metal content of mineable reserve is 3.9 million ounces of gold and 1 billion pounds of copper. Grades of 0.24% copper and 0.023 ounces gold/ton are encountered in an initial 36,035,000 ton starter pit reserve. Stripping ratios for the Kemess South deposit vary from a low 0.8:1 in the early years of operations to a life of mine average of 1.3:1.

Deposit mineralization is extremely continuous and is made up of a hypogene zone where copper mineralization is mainly chalcocopyrite and an overlying supergene zone where copper mineralization is mainly native copper. Approximately 20% of the mineable reserve is supergene material.

Extensive metallurgical test-work has been completed at Lakefield Research on representative composite samples of ore types. Metallurgical results are excellent, Hunter said. Grinding of the comparatively low work index ore and standard flotation processes result in excellent recoveries of both gold and copper with minimal reagent usage. A conventional copper concentrate averaging 25% copper which contains 1.5 to 3.0 ounces of gold per ton is readily produced. No smelter penalty

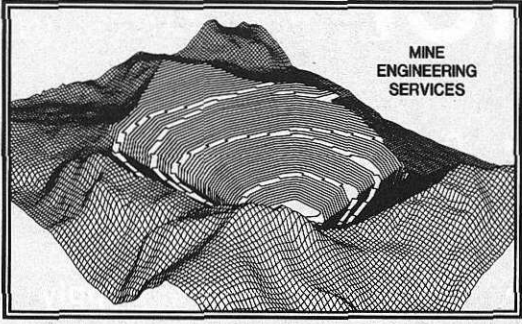
elements are present.

Late in 1992 a 7 ton representative bulk sample was collected from the Kemess South deposit utilizing HQ coring. Large sample process tests underway at Lakefield will provide accurate metal recovery data under steady state conditions. Final concentrate and tailings characteristics will also be determined. In addition, Hazen Research Inc. is completing studies of the grinding characteristics of Kemess South rock types.

Cominco Engineering Services Limited has completed an access option study for the project's development.

Knight and Piesold Ltd. have completed studies of several potential tailings impoundment sites. A low cost and environmentally optimum tailings im-

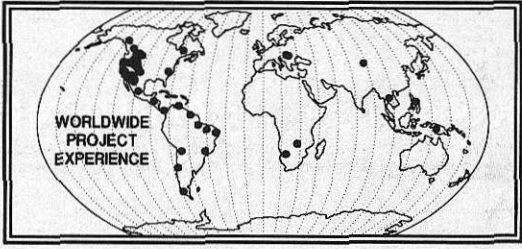
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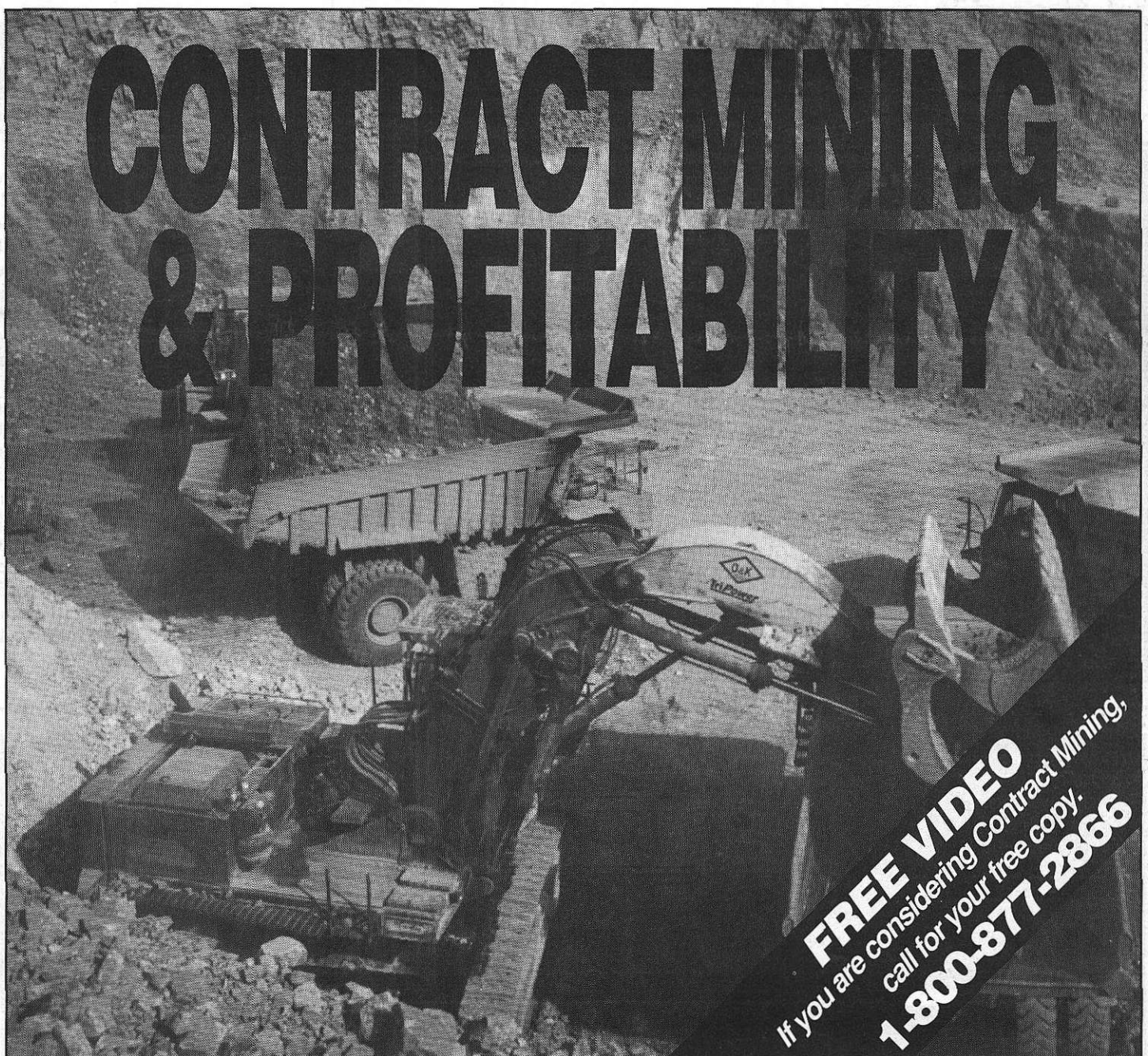
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El Condor Resources...

Continued From Page 3

poundment site has been selected and geotechnical and hydrological studies of the impoundment area have been completed. In addition, preliminary geotechnical and hydrological studies have also been completed for open pit slope, plant site, waste dump and water supply design and lay-out criteria.

Available infrastructure, excellent deposit grade, continuity and geometry along with metallurgy and topography all favorably combine at Kemess South making the deposit well suited for high volume, low cost open pit mining, Hunter said.

During 1993, the company will focus on final engineering and permitting of the Kemess South Project for a large scale, open pit mine. Currently, Kilborn Engineering Limited is completing a detailed Kemess South Project Prefeasibility Study. The Prefeasibility Study

is expected to be completed by May 1993. Subsequently, an Application for a Mine Development Certificate is planned to be made to the British Columbia government.

Current mine modeling for the Kemess South deposit is based on conventional milling of 44,000 tons per day over a 14

year mine life. Average annual production, from a 216 million ton mineable reserve, is projected to be 212,000 ounces of gold and 59 million pounds of copper in 118,000 tons of co-product copper-gold concentrate.

The company's address is 800 W. Pender St., Vancouver, BC Canada V6C 2V6.

American Barrick Acquires Gold Standard's Interest

TORONTO — American Barrick Resources Corporation announced that its subsidiary, Barrick Resources (USA) Inc., has reached an agreement to acquire Gold Standard's interest in the Mercur Mine in Utah and settle the litigation in exchange for a payment of \$4.7 million. Barrick will acquire Gold Standard, Inc.'s 15% net profits interest in the Mercur Mine and a full and complete release of all present and future claims by Gold Standard relating to the

mine and Barrick Resources.

The agreement is subject to the completion of final documentation which is expected to be signed May 7, 1993.

American Barrick has interests in four producing gold mines in Nevada, Utah, and Ontario and a fifth, the Meikle Mine, is under development in Nevada.

The company's address is 24 Hazelton Avenue, Toronto, Ontario Canada M5R 2E2, (416) 923-9400.



EN FRANÇAIS S.V.P. TRANSLATION SERVICE

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Wayside Gold Mine...

Continued From Page 1

out in the main vein.

Chevron Canada explored the Wayside property in 1987-88 but dropped its option when the company pulled out of the minerals business in favor of oil and gas. Chevron was also involved in the Golden Bear project near Dease Lake, B.C. which is now owned by Homestake Canada.

Wayside and Brigadier picked up the torch from Chevron and rehabilitated the #5 portal which provided access to the main underground workings where a pumping station was established. The mine was dewatered to the ninth level some 450 feet below surface in preparation for a 10,000 feet drilling program which is scheduled for completion later this year.

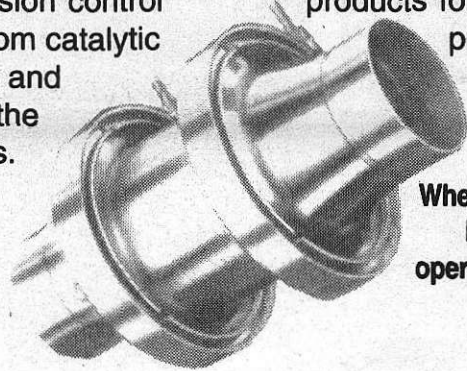
Considerable potential exists on adjacent properties and vein structures. Spectacular values have been returned from the Commodore and 3T veins, including 9.8 oz. gold over six feet and 0.95 oz. over seven feet. Trenching values have also been impressive. A 20 foot long surface structure running for approximately one mile has been identified in the Two-Bob zone where values of 0.12 oz. gold have been reported over 4.3 feet. Structure is very important in the Bralorne camp and, given the heavy nugget effect, vein material is often much higher in grade than indicated by drilling.

The "New Discovery" zone is a real anomaly in what is essentially a gold camp. A massive sulphide target, this zone contains approximately 313,000 tons of reserves grading 2% copper and 2.5% zinc with appreciable gold values. Surface sampling from the zone returned assays of 0.26 oz. gold per ton across 45 feet which is reminiscent of Westmin Resources Myra Falls mining operation (lead-zinc-copper-gold) on Vancouver Island.

The company's address is 604 - 510 West Hastings Street, Vancouver, BC Canada V6B 1L8, (604) 654-6001.

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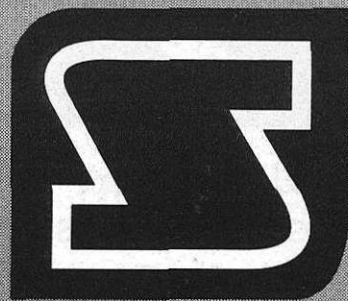
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