

Report from Vancouver**Ruth production-testing**

By Margaret Nutt

Ruth Vermont Mines, production-testing since August, 1981, reports improved recoveries of about 88% lead, 75% zinc and over 90% silver from 6,000 tons of ore processed in November at its mill in Golden, B.C. The ore grade is 4% lead, 3.75% zinc and 5.7 oz. silver per ton.

For the year ending Oct. 31, 1982, the company is projecting revenues of \$8.4 million from the metals and cash flow of approximately \$2.4 million on production of 80,000 tons ore grading 3.9% lead, 4.2% zinc and 5.7 oz. silver per ton.

As of Oct. 31, receivables were approximately \$250,000. Earlier in the year, the company received a \$4-million line of credit from the Royal Bank of Canada to bring the mine to production.

The company is planning to winterize operations instead of shutting down the mine for four months as originally planned. Keeping the mine open will save interest costs and other expenses related to closing and recommencing operations.

Underground diamond drilling is planned to explore the downward extension of the ore zone below the 5,750-ft. level on the Pinetree vein where drifting has uncovered new reserves comparable to grades currently being processed. It is expected to increase the life of the mine beyond the current four years based on drill indicated reserves of 214,300 tons.

On the adjoining ground, Ruth Vermont (25% interest) and venture partners **Bluesky Oil & Gas** and **Cochrane Oil & Gas** will conduct surface exploration. The strike length of the deposit is 8,000 ft. long and a 15 ft. diamond drill section assayed 3.39 oz. silver, 3.43% lead and 8.61% zinc per ton.

Pacific Cassiar has completed its 1981 percussion drilling program on a 375-ft. section of the Prosperity vein on the Prosperity-Porter Idaho silver property near Stewart, B.C. Better results from the 17 short percussion drill holes were: 109.4 oz. silver, 14.70% lead and 0.86% zinc per ton over 8 ft. in hole #9; 87.4 oz. silver, 9.33% lead and 1.36% zinc over 16 ft. in hole #5 and 67.6 oz. silver, 7.16% lead and 0.60% zinc over eight feet in hole #2.

Drill holes testing the hanging wall and footwall of the section also show that the vein widths vary from five to 40 ft or an average 15 ft. Indicated tonnage in this section is a potential 500 tons per vertical foot averaging better than 30 oz. per ton silver. The remaining 1,300 ft. of strike length will be rehabilitated

two trenches average 1.82 oz. gold equivalent over a horizontal width of 6.8 ft.

Sampling and assaying of the other raise located 65 ft. north of the crosscut as well as a new zone in the north drift is in progress.

Waddy Lake Resources says early returns of a 14-hole development program on the Komis gold deposit near Reindeer Lake, Sask., are encouraging. The holes are angle holes of approximately 500 ft. and are located to constitute four cross sections over a 150-ft. strike length.

From results received to date, hole KC-08 returned a 3.3 ft. intersection of 0.45 oz. gold to a low of 0.098 oz. over 56.1 ft. Hole KC-09 returned a 3.3-ft. intersection of 0.547 oz. to a low of 0.068 oz. over 6.6 ft.

These holes were updip from an earlier hole which gave two intersections of 61 ft. assaying 0.105 oz. and 118 ft. assaying 0.193 oz. gold per ton. An exploratory hole, KC-03, 372 ft. south and 55 ft. east of KC-09, gave two intersections including 39.6 ft. assaying 0.142 oz. and 6.6 ft. assaying 0.087 oz. gold per ton, but was not deep enough to intersect parallel mineralization.

Sundance Gold will install a fine gold recovery system at a cost of \$60-65,000 on its Clear Creek placer gold property 70 miles southeast of Dawson City, Yukon. The system, to be ready by the start of the 1982 season in May, will be financed through a best efforts offer, with the basis currently being negotiated.

It will be capable of recovering 85% of the gold in the placer gravels, which so far have yielded lower recovery values in one of two zones tested this past season. In the first zone which yielded a higher percentage of the harder-to-recover fine gold, the recovery rate was \$2 per cu. yd. of gravel processed compared to \$8.54 per cu. yd. in the second zone having coarser gold.

To further minimize gold loss through sinkage, the company will replace present loader equipment with a hoe in the next season. It plans to process 1,500-2,000 cu. yd. per shift for 200 shifts next year. A spokesman said there are nine years of reserves and a potential for 20 years.

Welcome North Mines and **Esperanza Explorations** report that an 8 km access road to the Tillicum gold property near Burton, B.C. was completed in late October. Data gathered during the 1981 program of geological mapping, geochemical and geophysical surveys and trench-

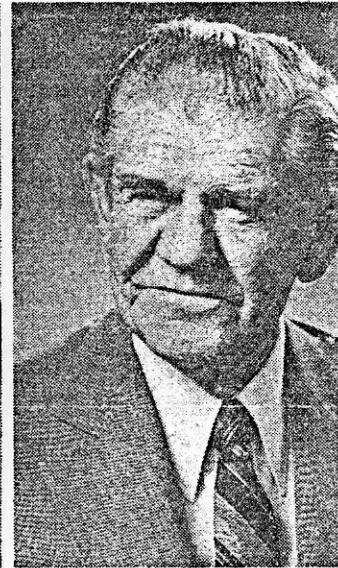
The company has also completed field work on 20% of the land holdings in the Ester Dome near Fairbanks. Fifteen new zones were discovered and, from surface, indicate grade better than the company's Grant mine on the eastern edge of the Dome. Drilling and trenching are planned on the target areas for

early spring. The Grant mine expanding reserves and will open through the winter as in the year.

Joy Industries has agreed to its 720-acre Brim oil property Montgomery County, Kansas. **Black Giant Mines** for \$2.5 mil

GOLDBELT MINES APPOINTMENTS

BERNARD O. BRYNELSON



DONALD M. CANNON

Donald B. Carmichael, President and Managing Director, pleased to announce the appointment of three new Directors. They are Bernard O. Brynelson, Donald M. Cannon and a Canadian mine-maker.

Bernard O. Brynelson, P.Eng., is a former executive with currently Chairman of Brenda Mines Limited.

Donald M. Cannon, P.Eng., was formerly with Newmont and Freeport Minerals Inc.

Peter N. Pitcher, P.Eng., has an extensive executive background with Giant Yellowknife, United Keno Hill and other mining founding president of Amoco Minerals.

These appointments reflect the determination of Goldbelt production future will be guided by these most knowledgeable industry.

Goldbelt Mines will be putting its Salmo, B.C. gold mine future and is planning to rejuvenate one of the large Wenatchee, Washington.

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