

in between stages and tion, produced a superpellet of 69.8% Fe and

ort urges further drilltailed feasibility study en immediately. The estimated that the projaltimately require an f up to \$580 million and ov 300 workers at the

erg Lake deposit is askatchewan, 140 miles Ft. McMurray, Alta. major supplies of natired for the project are ortheastern Alberta, as ng Northern Alberta

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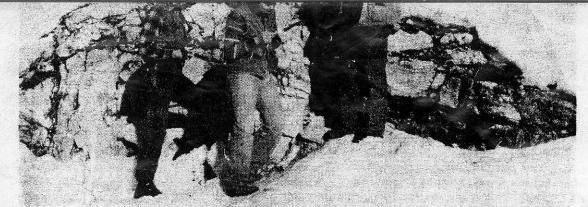
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Three B.C. prospectors, (left to right) John Campbell. Fran Jenkins and Bill Cameron, examining their high

grade tungsten discovery near Revelstoke which has stirred much attention in that area. John Anderson

High grade tungsten find

From Page A1 siderable mineralized float has been picked up both to the east of the main showings and up hill from them, suggesting extensions.

This find, unquestionably, is a credit to the local prospectors (see photo) who had enrolled in the B.C. prospectors' course and who subsequently formed a private prospecting company. As implied above, they turned down a nuraber of large cash offers for their 56-claim group. choosing instead a deal that gives them a direct royalty interest plus a share interest in the company.

The Andaurex company is capitalized at 5,000,000 shares of which 2,250,000 shares are issued (750,000). It has approximately \$600,000 cash on hand, and will receive a further 5580,000 if and when outstanding warrants are exercised.

A contract has already been let for cutting control lines prior to a geophysical survey, trenching and sampling. Drilling, which will follow, will consist of a grid of vertical holes.

"But we don't want to start drilling until we get a good handle on the situation," says Mr. Hammond.

(The Northern Miner was shown a number of hand specimens taken from the showings. Viewed under an ultra-violet light, they look quite impressive and would run as high as 20% WO3).

Tungsten enjoys a strong market with its long-term demand expected to grow, particularly in the area of tungsten-carbide drill bits for oil and gas exploration and sub-surface coal mining as the search for new energy source grows. Other major growth markets for tungsten are in metal cutting, catalysts and superallows.

Rio Algom

From Page A1 director and officer of Rio Algom this month. It is intended that Mr. Albino will succeed him as chairman and chief executive officer, while retaining his present position.

Earnings from the Elliot Lake uranium operations declined in 1980, primarily reflecting problems during the start-up of the Panel mine and mill. Panel is now said to be operating well, having reached its design capacity of 3,300 tons per day dur-

ing the fourth quarter.

Also during 1980, Rio Algom secured new contracts covering 8.1 million lb. of U₃O₈. A further four million lb. will be sold to Westinghouse Electric Corp. under the recent settlement agreement with that company (N.M., Mar. 19/81). Rio Algom says the settlements with Westinghouse and Tennessee Valley Authority, which are still subject to certain approvals, will remove major constraints on its business interests in the United States.

Production of uranium oxide at Elliot Lake amounted to 6,783,000 lb. in 1980 (5,688,000 lb. in 1979).

from 273,000 tons or 751 tons daily in 1979. Average recovery was 4.2 (3.7) lb. per ton. or 94.5% (93.6%). Production amounted to 1.099 000 (994,000) lb. of uranium oxide, while deliveries totalled 940.000 (1,200.000)

The Lisbon operation had a seccessful year, primarily because of the higher average grade of ore milled. At Dec. 31, some 1.2 million lb. of uranium oxide remained to be delivered under the present contract; it is estimated that an additional 1.1, million lb. can be recovered from defined ore.

Minerals exploration

Exploration expenditures by Rio Algom and its subsidiaries were \$10.7 million in 1980, compared with \$9.1 million in 1979. This included the costs of intensified efforts to bring the 60%-owned Sage Creek coal property in southeastern Beitish Columbia into production.

Numerous properties were irrestigated by Riocanex, the company's Canadian exploration arm. A preliminary feasibility study is under way for the Cape Ray gold property

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