

Mascot On Target



Mascot's Nickel Plate Mine, expending an estimated \$68 million, is due for completion in the summer of 1987.

Mascot Gold Mines Limited, the exploration arm of the International Corona Resources group of companies and a subsidiary of Royex Gold Mining, is progressing on schedule for the July 1987 start-up of its Nickel Plate open pit gold project near Hedley, B.C.

It's an important project for British Columbia where the traditional base metal industry had been especially hard hit. In recent years, the province's exploration and mining industry has been revived by Gold Fever. The production decision of Mascot Gold Mines, along with others in the province has been fueled by the availability of flow through share financing and strong and steady precious metals prices.

Mascot will be expending an estimated \$68 million to bring the project to full production. These funds were provided through a \$70 million loan agreement with the Canadian Imperial Bank of Commerce to be repaid during the years of the mine's operation. A portion of this financing has recently been converted into a gold loan.

In full production, the new mine will employ up to 150 persons on a permanent basis bringing economic renewal to the Similkameen and Okanagan regions of British Columbia. The mine project is located near the top of a mountain at elevations from 5,100 to 6,000 feet, some two and a half miles north of Hedley.

Mascot acquired the Nickel Plate property in 1971 and conducted exploration as funds became available. In the 1984-85 seasons, when exploration was stimulated by the use of flow-through funds, the widespread nature of the mineralization became apparent. With impressive results in hand, Mascot sought and received approval to develop a surface mine at a daily rate of 2,700 short tons in a continuous year round operation.

Initial gold output at Nickel Plate is estimated to be in the order of 130,000 ounces. Open pit reserves stand at 7.1 million tons at an average grade of 0.15 oz. gold per ton...enough for eight years production at full capacity. Those known reserves will yield about 900,000 oz. of gold at an estimated average cost over the 8-year period of about \$120 (U.S.) per ounce.

Site work began in April of 1986 and logging, clearing and grubbing of the tailings storage and millsite areas were rapidly completed. Improvements were made to the access roads and Mascot recently reported the tailings dam on the project is complete and the new power supply is in place on the property.

Mascot Gold Mines is listed on the Toronto and Vancouver Stock Exchanges. The company also has other significant interests in Canada and the United States.