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Huckleberry
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EXPLORATION REVIEW

WESTERN CANADA

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Natural Resources Canada and Statistics Canada, through federal-provincial surveys of mining and exploration companies, show a continuing increase in exploration expenditures in western Canada from the low achieved in 1992 (actual) through 1993 (preliminary estimates) to 1994 (forecast).

EXPLORATION EXPENDITURES
(MILLIONS DOLLARS)

Year	1992	1993	1994
YUKON	9.7	18.1	15.7
B.C.	71.9	68.0	78.3
NWT	42.7	94.6	90.4
ALBERTA	5.4	6.8	9.2
SASKATCHEWAN	25.9	45.3	54.0
MANITOBA	32.0	25.4	30.8
TOTAL	187.6	258.2	278.4

This increase in exploration expenditures is directly due to junior mining companies and, for the most part, is used to explore for diamonds in western Canada as summarized in *SEG Newsletter* Number 18, July 1994.

YUKON

In the Yukon during 1994, exploration expenditures are estimated by the Yukon Chamber of Mines to be about thirty million dollars, up substantially from \$15.7 million forecasted. Most of the properties explored are well-known, such as a number of old silver-lead-zinc properties at **United Keno Hill Mines**, the **Casino** copper-silver project of **Pacific Sentinel**, the **Brewery Creek** gold property of **Loki Gold Corp.**, the **Minto** copper-gold property of **Minto Exploration**, the gold-silver **LaForma** property of **Redell Resources**, the **Mt. Nansen** gold-silver property of **B.Y.G. Natural Resources**, as well as the **Ketza River** and **Grew Creek** gold properties of **Wheaton River** and **YGC Resources**. In all, about forty properties were explored by some twenty-six companies.

The announcement of **Cominco Ltd.'s Kudze Kayah** base metal discovery was, however, the biggest news event in the Yukon this year. A successful 1994 drill program outlined a deposit containing 13 million tonnes with an average grade of 5.5% zinc, 1% copper, 1.3% lead, and 125 grams silver and 1.2 grams gold per tonne. Cominco has begun a fast-track exploration and development schedule for a one million tonne per year mine.

BRITISH COLUMBIA

Exploration in British Columbia in 1994 is expected to be up marginally from the \$68 million reported in 1993, with some

exploration in most parts of the province. Near Cassiar, just south of the Yukon border, **Cusac Industries** carried out underground exploration and produced some gold from the **West Basin Zone** on Table Mountain. Nearby, **Hera Resources** and **Int. Taurus** drilled eleven ddh's at the old Taurus Mine and discovered what appears to be a new, large low-grade gold deposit. To the south and west at the **Golden Bear** gold mine, **North American Metals** developed 473,000 tons of heap leach material in the Kodiak A Zone with possible additional reserves in the Kodiak B & C Zones. Heap leaching of this material is planned for 1995. Elsewhere in northeastern B.C., **American Bullion** completed 58 ddh's totaling 70,000 ft. in the **Red Chris** deposit where 33 million tons grading 0.73% copper and 0.014 opt gold had been previously outlined. After resolving some legal problems, **Canarc** drilled 20 ddh's in the **Polaris-Taku** gold project located near the Alaska/BC border. By year-end, gold production should begin at northeastern B.C.'s newest mine—the **Eskay Creek** gold mine. In the Stewart area, **Lac Resources**, now **American Barrick**, continued advanced exploration on the **Red Mountain** gold property, which is now up for sale, and **Westmin/Tenajon** carried out underground exploration on the **SB** property, where a bulk mineable zone of 312,700 tonnes grading 3.07 grams/tonne gold was outlined last year.

In north-central B.C. in the Toadoggone area, **Sable Resources** drilled 20 ddh's in the **Shasta** gold claims and **AGC American Gold** drilled about 32 ddh's in the **JD** gold prospect. To the east, **Metal/Ecstall Mining** intersected significant mineralization (6.4 metres at 11.38% combined Zn-Pb) in the **Akie** property near the Cirque Zn-Pb deposit. To the south, **Lysander Resources** drilled a number of ddh's in the **Lorraine** porphyry deposit including 309 feet grading 1.48% copper and 0.019 opt gold. **New Canamin Resources** completed a feasibility study on the **Huckleberry** deposit containing 91.2 million tonnes grading 0.517% copper, 0.014% molybdenum, 3.10 gpT silver, and 0.064 gpT gold. The study indicates a 13,500 tpd operation for 18 years at a capital cost of \$137 million.

In central B.C., **Gibraltar** briefly examined the **Mt. Polly** Cu-Au deposit as a source of new material for their mill. **Kinross** opened an office in Quesnel and continued with the development of the **QR** gold deposit. West of the Fraser River, **Western Keltic** drilled the **Fawn** epithermal gold project and **Claimstaker Resources** began to re-explore the old **Blackdome** gold mine.

A number of the projects explored in southern B.C. are in a late development stage. **Fairfield Resources' Siwash North** project anticipates 1994 gold sales of ten million dollars with \$1.5 million in underground development. **Pacific Vangold/Int. Silver Ridge** report that muck samples from underground development on the **Iron Colt** property near Trail consistently grade one to two ounces gold per ton.

NORTHWEST TERRITORIES

Exploration expenditures in the Northwest Territories continued at the level set in 1993 with forecasted expenditures of \$90 million. By far the bulk of the expenditures was on diamond exploration in the Slave Province north of Yellowknife. The confidence of many investors was shattered by the disappointing results the **Kennecott-**