

the Remac road. Jon is doing a PhD thesis in structure in the area.

Nancy Joseph and graduate students from Washington State were also on the trip. They continued to lead the tour south across the border.

Lawyers Mine (Toodoggone) - Cheni Gold Mines (MI 94E-066, 067)

On July 29th I attended the official opening of the LAWYERS mine. Approximately 60 guests were flown from Vancouver to Sturdee Airstrip and then bused to the minesite along the terminus of the Omineca Resource Road. Dignataries who gave speeches included Stephen Rogers (MLA-South Vancouver) who also cut the ribbon, Doug Horswill, Paul Girard (President and CEO, Cheni Gold), Malcom Taschereau and Alain Dangeard (President, Cheni S.A.). Cheni provided a very nice touch by inviting people who had worked in the area over the past years, e.g. myself, John Barakso (Kennco), Nick Carter (BCDM), Bob Stevenson (Kennco), and Mohan Vulmiri (Serem). Of course, Peter Tegart (Vice-President, Exploration, Cheni Gold Mines) received a lot of the credit for bringing the Lawyers mine through the exploration stage. Austin Hitchins is the current mine geologist.

Very briefly, Cheni poured its first doré bar on Jan. 8th, 19 months after construction started. The mine reached commercial production averaging 4000 ounces of gold and 65,000 ounces of silver per month on March 1st. Current operating rate is 525 tonnes per day with recoveries estimated at 94% for gold and 78% for silver (better than expected). Doré bars weigh approx. 27.5 Kg (60 pounds) and contain 94% Ag and 5% Au.

Mining is currently from several stopes in the AGB zone where grades appear to be better than expected, e.g. on the 1700 Level the average grade is estimated to be 9.2 oz Ag/ton and 0.49 oz Au/ton, using a cut-off of 0.1 oz Au/ton. Dilution is estimated at only 5%. There appears to be excellent potential at depth on the AGB Zone which could extend the mine life very nicely.

Very shortly Cheni will be starting on a underground exploration program on the CLIFF CREEK BRECCIA zone. They had wanted to explore/develop by open cutting; however, constraints imposed by the Ministry of Environment (need for substantial, costly amounts of limestone to counteract acid generation) squashed that idea.

This mine is a very bright spot in mining in British Columbia. Unfortunately, the rest of the Toodoggone is rather quiet, save the exploration /development program on the SHASTA property by Homestake and International Shasta. The Lawyers mine looks like a classic!

VANCOUVER OFFICE

Clerk Steno 3 FTE - Vancouver Office

Considerable time was spent arranging and formulating interview questions for this position. The interviews of 2 "in service" candidates were held on July 17th. I would like to thank Linda Taylor and Claudia Logan