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Province of British Columbia Ministry of Energy, Mines and Petroleum Resources

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MONTHLY REPORT - APRIL 1994

Geological Survey Branch MEMPR

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by

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HIGHLIGHTS

* MINERALS NORTH in Mackenzie on April 6-8 had a modest but enthusiastic attendance of 66 delegates. The goal of communicating mine development issues to people outside the minerals industry is slowly being realized; Mayors, Councillors and Chamber of Commerce representatives from Mackenzie, Tumbler Ridge, Fraser Lake, Smithers and Stewart were present. Honourable Anne Edwards banquet speech was well received. Concern about changes to the Environmental Review process were expressed by proponents involved in the process, Homestake Canada Inc. in particular. Panel discussion comprised the mining industry (Steve McAlpine-Homestake, Dave Copeland- El Condor and John McManus-Quintette), forestry, Native interests (Vernon Salonas- McLeod Lake band), education, local business and environmental interests. There is great concern in Mackenzie for B.C. Hydro's plan to drop water level in Williston Reservoir below the level necessary for barge transportation. Development of Cirque (Stronsay) by Teck/Cominco would be negatively impacted.

* Mineral potential assessments of Stikine River, Atlin, Hakai, Fiordland and Rainbow/Lindquist Recreation Areas received from GSB and will be presented to IAMC in early May. Sincere thanks to Jim Logan, Mitch Mihalnyuk, Kim Bellefontaine and Larry Diakow.

* Attended Kamloops Exploration Conference on April 11-12, exhibited display on Exploration in Northwest B.C.

FIELD ACTIVITIES

***** Endako mine visisted on April 6 (en route to Minerals North), tour provided by Mine Geologist Gary Wong. Reserves are 128 million tonnes at 0.128% MoS₂ sufficient for 12 years of production at 30,000 tons per day, based on Mo price of \$3.50 per pound. Current break-even grade is 0.073% MoS₂ and the mine works to a 0.07% cut-off. Definition drilling and stripping of the Denak West zone have been completed preparatory to open pit development. Current concern at the mine is poor Mo recovery (60% versus 80%) from Endako Pit ore. The cause is not clear (higher clay content? molybdenite grain size?) and is being investigated.

* Bell Copper mine visited on April 28 to identify geological material that EMPR considers worthy of ensuring preservation by means of company donation to the Ministry. Maps, plans and sections that were selected will be reviewed/approved by Noranda Exploration staff (Gerry Bidwell) during a site visit in late May.