

Name: Adanac (Adera, Ruby Creek)

Location: NTS Area 104 N/11
 Lat. 59° 42' 40" Long. 133° 24' 30"
 Mining Division: Atlin
 - property approx. 15 miles NE of Atlin/near the Alaska-B.C.
 Yukon border/road runs north from Atlin to Hwy. 97 which
 goes to Whitehorse, Yt.
 - property at 4900' elevation

Owner: Adanac Mining and Exploration Ltd. (option at present to
 Placer Development)

Description: Molybdenum associated with granite intrusive/mineralization
 occurs as coarse molybdenite-bearing quartz veins/deposit is
 approx. 1036m long, 550m wide and 198m thick/mineralization
 occurs erratically within veins making accurate sampling
 difficult.

Reserves: 67 million tons of .13% MoS₂ (Northern Miner,
 June 14, 1979)
 66.6 million tons avg. .129% MoS₂ to 104.2
 million tons grading .16% MoS₂ (Northern Miner,
 June 14, 1979)
 Summary 4

Development:

- 1905 - discovery
- 1966 - property claimed by Adanac M & E Ltd.
- 1967-69 - drilling 73 holes, 38,818'
- 1970-71 - Kerr Addison option; bulk sampling, pilot mill
 tests, full scale feasibility study, drift,
 raises, crosscuts, 18,566' of drilling
- 1973-75 - Amax option; mapping, drilling, 2 holes, 9900'
- 1976-77 - Noranda option; minimal work
- 1978 - Placer Development option; feasibility, market-
 ing, environmental and power studies, drilling

Potential
Operation:

Open pit

- Impediments:
- infrastructure - transportation
 - power
 - environmental concerns

- Comments:
- Placer Development has taken an option to acquire 70% interest on a commitment to announce production by December 31, 1980^f
 - if option is exercised, Placer will manage and arrange financing for the development of the property
 - hydroelectric studies are in progress and discussions have taken place with provincial govt. authorities
 - a program of marketing studies has commenced with overseas customers

Arrangements have been made for deferment of production announcement to 1983 if necessary.

- Mr. Bennett (Pres. of Adanac) "just optimistic enough to think Adanac will benefit from current high molybdenum prices and a strengthening market." (Northern Miner, March 29, 1979).
- Placer has some concern about the molybdenum market suggesting that it might collapse rapidly within a year (Northern Miner, May 10, 1979)
- Molybdenum market strong due to expanding range of uses for the metal in the steel industry (Placer A.R., 1977).
- Property at 4900' elevation.