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EXPLORATION

Lakewater Well Placed

After reviewing the latest results from its Lakewater project in British Columbia, Akiko-Lori believes that these claims hold great promise for hosting economic precious metal and possibly base metal mineralization. Lakewater's mineralization is hosted in a mudstone unit overlying altered rhyolitic volcanics similar to the Eskay Creek deposit some 5 km to the northeast which is known to contain massive lead-zinc sulphide mineralization. Moreover, recently completed drilling at Lakewater has returned gold and silver values of 41.0 g/t and 58.6 g/t respectively across 3.0 m at a relatively shallow depth.

The Lakewater project also has a great strategic advantage in that a road and mill are to be constructed to service the Eskay Creek operation. Consequently any ore produced on the Lakewater claims could be custom milled thereby relieving Akiko-Lori and its joint venture partners, Tymar Resources (33.3%) and Varitech Resources (33.3%) of major capital costs.

Copper-Gold Prospect For Noramco

Noramco Mining Corp. is planning a 1,200 m diamond drilling programme on the Kena copper-gold property near Nelson, British Columbia. Noramco has an option to acquire an 85% interest and has been carrying out a field programme of line cutting, geological mapping and geochemical soil surveys. Noramco is also exploring the Shaft copper-gold property which adjoins the Kena property.

Initial Development For Whistler Deposit?

Black Swan Gold Mines has decided to proceed with the development of its Whistler gold deposit in Western Australia and hopes to get regulatory approval by month-end. The mine is expected to produce about 1,800 oz/month, which would boost the company's annual gold output to 32,000 oz.

Operating costs are projected to average \$US283/oz over the two-year life of the mine based on a milling rate of 16,000 t/month. Start-up costs for the project are expected to be about \$A1 million because the ore is both near surface and heavily oxidized, and because of the availability of a mill on a lease basis.

The CIL plant will cost about \$A250,000 to upgrade in order to yield a 90% recovery rate. Mining will be contracted out but the milling operation will be staffed by company personnel. Initial ore extraction is expected to begin in early December.

In the meantime, the company is examining the feasibility of extending the pit limits by another 14 m to a final depth of 80 m. The company will also look at the underground potential of the deposit which extends to a depth of at least 180 m.

PMA's Vanadium Find

Diamond drilling at Precious Metals Australia's (PMA) wholly owned Windimurra Hills vanadium project has revealed several new mineral horizons above the main mineralized zone totalling some 30 m of weathered and fresh ore grading 0.55% vanadium pentoxide. These horizons occur between 2 m and 13 m below the surface and may make bulk mining of the reserve possible. The company has engaged Minproc Engineering to complete a design and feasibility study for the establishment of a 3,700 t/y mine and process plant. Pilot plant testwork on pre-beneficiation has already begun.

PMA is continuing its research into ways of lowering energy costs for the project with the aid of a federal grant. The recent oil price increase has encouraged negotiations with coal suppliers as an alternative fuel. During the last quarter the company met with U.K. traders and German consumers who expressed interest in diversifying from the dominant South African vanadium producers.

Eagle River Drilling/Mill Proposal

A number of significant gold intercepts were returned from a surface diamond drilling programme on the Eagle River project of Hemlo Gold (60%) and Central Crude (40%) in northwestern Ontario (*MJ*, June 22, p.492). Five out of 10 holes in the No.2 zone confirmed the grade and continuity of the mineralized horizon. Among the better intercepts were 2 m of 10.6 g/t gold, 3.8 m grading 32.2 g/t, 14 m averaging 6.8 g/t, and 10.3 m of 11.6 g/t. The mineralization is still open along strike and to the east. Three holes in the programme tested a 396 m strike length of diorite between the No.2 and No.6 zones; one of the holes in this section yielded 2.5 m of 31 g/t gold.

Hemlo Gold is proposing to purchase the mill and related surface facilities at the Magnacon gold mine, 20 km north of

Eagle River. The property is owned by Flanagan McAdam Resources (50%), Muscocho Explorations (25%) and Windarra Minerals (25%). The latter company is owned 29.3% by Hemlo Gold.

Vanco's Option

Laramide Resources' 60%-owned subsidiary, Vanco Explorations, has completed a preliminary investigation of property it holds under option from Inco.

Trenching on the property, located 45 km south of Merrit, British Columbia, has exposed a strong gold-bearing shear zone with the best assay averaging 24 g/t of gold across 2 m. This new prospect lies 2 km to the south of Vanco's 100%-owned Sadim gold deposit where a similarly mineralized shear zone containing gold bearing quartz veins has returned values of up to 150 g/t (4.4 oz/t) across 1 m.

The Sadim and Inco option gold prospects are in close proximity to the newly developing Siwash gold district where Placer Dome and Fairfields Minerals are carrying out extensive drilling and surface exploration. The area is well served by powerlines, roads and community facilities and is only three hours distant from Vancouver on the nearby freeway.

Lake Wanapitei — Deep Commitment For Falconbridge

Falconbridge Ltd has recently finished staking over 1,200 claims in an area immediately northeast of Lake Wanapitei, about 50 km northeast of Sudbury, Ontario. The area covers a huge gravity-magnetic anomaly which has been studied by geoscientists for many years but which has not so far been explored as the area is covered by up to 1 km of Huronian sedimentary rocks. The source of the anomaly could occur at a depth of some 5 km.

The company is now planning to undertake a major exploration programme which will consist of an airborne survey followed by seismic ground studies and eventually deep drilling. The anomaly is said to bear many similarities to the geophysical signature of the Sudbury area.

Ennex Drilling Rathdowney Trend

Dublin-based Ennex International plc is to carry out a 17-hole (1,770 m) diamond drilling programme on its Republic of Ireland base metal licence area along the Rathdowney geological trend which hosts Conroy's Galmoys and Ivernias/Chevron's Lisheen discoveries.

The programme is due to be completed by year-end and is being funded under a joint venture agreement with Cominco Resources International Ltd (CRIL). CRIL can earn a 35% interest by spending \$US2.5 million by June 30,

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