

## New Projects

Meanwhile, surface drilling is continuing with a recent hole, 87-106, yielding .92 ounce of gold per ton over 6.9 feet in the J-K Zone.

The exploration program is intended to upgrade the gold reserve status with the well defined goal of proving up sufficient gold ore to justify production. The 1988 exploration budget is \$6 million; 50% of which will be funded by McAdam Resources Inc. (project operator) and 25% which will be funded by each of Tointeko Resources Ltd. and Tashota Ipiyon Mines.

McAdam also owns a 75% interest and operates the Spud Valley project near Hazelton, British Columbia. This property is an updated ore reserve status of 17,078 tons grading 0.411 ounce of gold

per ton. The 1988 exploration budget is \$1 million.

In Ontario, McAdam has begun drilling on the Tom Fox property south of Timmins. Up to 3000 feet of drilling is planned on three promising structures and then the drill rig will be moved to the Farquhar Property near Wawa. McAdam has high expectations for the Farquhar property where good gold values (up to 3.46 ounces per ton in grab samples and 0.45 ounce of gold per ton over 4 feet in drill holes) have been reported by previous operators.

McAdam Resources has been retained by McNellen Resources Inc., to perform, on a contractual basis, the dewatering and rehabilitation of the former Jerome gold mine. The company has mobilized an experienced crew to the site and has begun dewatering. This contracts should allow McAdam to earn income to enhance its working capital position.

McAdam Resources is a growth oriented gold exploration company associated with Muscocho Explorations Limited, a Canadian gold mining company.

## Chapleau Seeking Carlin-Type Deposits in Southern B.C.

BAR

Chapleau Resources Ltd. says it will be devoting part of its 1988 exploration efforts to the search for Carlin-type (gold replacement) deposits within its Purcell Camp properties (25,636 acres) near Cranbrook, B.C. In 1987, Chapleau completed an initial \$150,000 exploration program. Based on the results of the program, plus extensive research, R.T. Banting submitted a preliminary areal geological report which examines the feasibility of three types of deposits existing on the properties; lead-zinc-replacement (Sullivan-type), vein-type gold deposits, and gold replacement.

Deposits of the Sullivan-type are an obvious target as the region hosts the largest lead/zinc producer in Canada, the Sullivan Mine. Next to Chapleau's property, Goldpac Investments intends to drill a 5000 ft. hole and their target is a large magnetic anomaly which they interpret as a massive Sullivan-type deposit. Chapleau believes there are a number of geological structures on their property similar to those existing and influential to the Sullivan deposit. The company also says vein-type deposits are prevalent; such as their recently discovered Bar quartz stockwork.

But the company says it is most interested in examining the possible existence of Carlin-type deposits. They have already located a favourable anomalous zone of arsenic values in close proximity to the underlying magma body. Company president Mark Best says a number of local prospectors agree with their theory which he believes is further substantiated by features common to descriptions of Carlin-type deposits; i.e. plutons (intrusions), steeply dipping shear zones, associative elements (e.g. arsenic) and argillaceous beds rich in carbonate.

## Carlin Trend Holes Best Ever

It's being called the best drill hole intersection ever pulled anywhere. An amazing 520 feet grading 0.44 oz gold per ton was reported earlier this year by Newmont Gold from deep drilling done in Nevada's famed Carlin Gold Trend.

The hole was pulled from the company's Post Deposit and is by far the highest average grade encountered over so great an interval on a Newmont property since the original discoveries in the Carlin Trend over twenty years ago. The hole was one of seven drilled to depths of 2,000 feet below the surface of the Post oxide orebody.

An "underground gold rush" has been going on for some time in the Carlin Trend, already the largest pro-

ven gold belt in North America. Deep drilling programs are in progress or are being planned by a number of companies active in the Carlin Trend where over 17 million ounces of gold has already been extracted from surface operations.

American Barrick, which plans to mine its portion of the Post Deposit's near-surface oxide ore from a large pit shared with Newmont, also made news with a deep hole drilled last year. The company's drills intersected the Post sulphide deposit and the interval graded an incredible 0.3 oz gold per ton across 620 feet. And just maybe, we haven't seen anything yet.