



ELK
882667

July 30, 1992

To: V.A. Preto
From: R.E. Meyers

SOUTH-CENTRAL DISTRICT MONTHLY REPORT

July 1992

EXPLORATION HIGHLIGHTS

ELK

* Fairfield Minerals Ltd. has taken 500 tonnes of a planned 10,000 tonne bulk sample (pending approvals) from the Siwash North vein of the Elk property. Sample results from the first 300 tons returned 3.8 oz/ton gold and 2.9 oz/ton silver. The sample was taken from an open cut and remains stockpiled at surface until a custom milling contract is negotiated. Nickel Plate and Brenda Mines are the front runners for the milling work. At a recent SCMDRC meeting (July 28th) John Stollery reviewed the project status and plans. The company indicated that there are no plans for a milling operation on the property. An additional 4800 tons will be extracted in 1992.

SHEAR

* Placer Dome Inc. continues to refine drill targets on the Shear Cu-Au property near Aspen Grove. Extensive detailed mapping, geophysical and geochemical surveys and trenching have been completed. The company expects to begin drilling in late August or early September. Access conflicts with the Douglas Lake Ranch and the MOTH are creating minor headaches for the project.

Goldstream

* Bethlehem Resource Corp. reports that the newly revived zinc circuit at the Goldstream Cu-Zn Mine is currently maintaining about 22% Zn recovery (plus 91.2% Cu recovery). The operation will produce about 4.6 million lb of zinc in 1992 at the present recovery rate. Earlier reports that Bethlehem has been the target of a possible merger or takeover have not been elaborated on, nor has the identity of the potential suitor(s).

Fish Lake

* Taseko Mines Ltd. has recently submitted a request/proposal for the Fish Lake project to drill seven holes within 50 metres of Fish Creek, which would contravene RMB's exploration guidelines. They have designed a drill mud-cuttings containment system using 3-foot diameter concrete manhole tiles. Their request has met with initial disapproval from MOELP, Williams Lake, but RMB inspectors are studying the plan and will make a decision in due course.

* GSC is planning to complete an airborne Gamma Ray Spectrometry survey in the Fish Lake and Clisbako areas. A similar survey was completed in the Mt. Milligan area during 1991 and results are available from the GSC.

* With the rising price of copper, there are current speculations that Afton's Ajax mine might soon re-open. However, the Critical Industries Commission requires that a contract agreement is reached between management and the USW before any incentives are offered to the operation. The price of copper will undoubtedly be the deciding factor.

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JBS → xerox
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