

## ■ FREEWEST WINS BACKING

Freewest Resources Canada Inc has agreed a financing and rights deal with Teck Cominco Ltd concerning Freewest's Larose gold property in Ontario. Freewest has discovered gold mineralisation at surface during prospecting. Teck Cominco will subscribe for 1.1 million units (each unit comprises one share plus one share-purchase warrant) in Freewest for C\$550,000, C\$350,000 of which will be spent by Freewest on exploration at Larose by the end of this year. Teck Cominco will hold certain priority rights over Larose, relating to the acquisition of interests to be sold by Freewest, and also to participation in any financing undertaken by Freewest.

## ■ TASEKO SECURES FINANCE

A reclamation fund established to ensure the rehabilitation of the Gibraltar copper mine in British Columbia has agreed to loan Taseko Mines Ltd between C\$18.5-35 million to help restart the idled operation. Taseko plans to begin production in July this year, at a rate of 36,300 t/y of copper in concentrates. The company also has an agreement with Teck Cominco Ltd concerning the use of the CESL process to process concentrates into cathode at Gibraltar (MJ, October 20, 2000, p310). Taseko planned a similar resumption of operations at Gibraltar almost exactly four years ago (MJ, January 28, 2000, p62).

## ■ COPERNICUS ASSAYS

Sally Malay Mining Ltd recently completed a short, reverse-circulation drilling programme at the Copernicus nickel joint venture in Western Australia (MJ, August 29, 2003, p153). The holes tested an extension to the presently-defined resource, with the aim of further defining the extension. The better results from the RC holes are as follows:

Hole	From (m)	Int (m)	Ni (%)	Cu (%)	Co (%)
CORC029	54	4	1.47	0.51	0.06
CORC030	92	7	1.44	0.86	0.06
CORC031	36	8	1.04	0.73	0.04
CORC034	94	3	1.64	0.66	0.06

## ■ BARRICK DROPS OPTION

Barrick Gold Corp has elected not to proceed with an option to earn an interest in IMA Exploration Inc's Potrerillos and Rio de las Taguas gold properties in Argentina (MJ, April 4, 2003, p236). The properties are adjacent to Barrick's Veladero and Pascua Lama deposits. IMA is to investigate the possibility of finding other partners for the properties.

# Vaaldiam encouraged by Rio Tinto data

VAALDIAM Resources Ltd's assessment of exploration data on the Pimenta Bueno diamond property in Brazil has identified 14 new kimberlite pipes, bringing the total on the lease to 31.

The data, gathered prior to 1996, were provided by Vaaldiam's joint-venture partner, the Rio Tinto group, under the terms of an agreement signed at the end of last year (MJ, November 28, 2003, p11).

The information includes the results of geochemical and geophysical surveys, indicating that about half of the new pipes are diamond-bearing, some of which have the potential for economic development. The pipes range in surface

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Vaaldiam personnel sampling kimberlite

area from 1-25 ha. A large cluster of 25 pipes, covering 500 km<sup>2</sup>, has been spilt into two groups – the Cosmos-Tumeleiro

and Pepper groups. The Cosmos-Tumeleiro group comprises five pipes, all of which appear to be diamondiferous.

# Ivanhoe-Intec buy WM's Hellyer assets

THE receivers of Western Metals Ltd have sold the company's Hellyer assets in Tasmania to a joint-venture company owned by Ivanhoe Mines Ltd and Intec Ltd (itself 23.2%-owned by Ivanhoe).

The JV will pay A\$1.6 million for the assets (currently on care and maintenance), which comprise: the Burnie metallurgical research and development facility; the Hellyer mining and exploration tenements; and the Hellyer mill. The Burnie facility is being acquired on trust for Ammtec Ltd (a metallurgical and minerals testing consultancy) for an attributable price of A\$270,000.

The Hellyer lease contains a tailings dam which Intec believes to contain "significant amounts of gold, zinc, lead, silver and copper", which could be worth US\$1.2 billion. The grades are relatively high because the original Hellyer ore was refractory in nature, limiting to less than 80% recovery of zinc, and to "very low" for precious metals, according to Intec.

Intec's preliminary metallurgical testing indicates that the Intec process could achieve considerably higher recoveries



The crusher at Hellyer

than those achieved by conventional cyanide-leaching methods.

Additionally, the Intec process is applicable to base metals extraction (MJ, June 6, 2003, p384).

Intec had signed a 'heads of agreement' with Western Metals to investigate

treating the Hellyer tailings before the latter went into receivership (MJ, July 23, 2003, p60).

Ivanhoe is already active in Tasmania, producing iron ore at Savage River via its subsidiary ABM Mining (MJ, February 16, 2001, p128).

# Reed resumes Comet Vale gold study

DRILLING results at the Comet Vale gold property in Western Australia have allowed Reed Resources Ltd to resume a prefeasibility study of the Sand George mineralised zone.

The study had been suspended, with further drilling required to increase hole density. The results confirm the continuity of multiple gold-bearing zones,

raising the confidence levels of the Sand George resource estimate. The better of the recent results are shown in the table.

RSG Global is expected to complete a new resource estimate by the end of February, and a decision to mine will be considered in the current quarter. David Reed, Reed's chairman, said the company is well-funded to proceed.

Hole	From (m)	Intercept (m)	Au (g/t)
RD021	144.20	1.95	14.34
RD018	94.70	2.10	14.53
and	98.25	2.15	11.77
RD022	118.35	0.95	46.03
RD024	150.30	1.35	17.30
RD026	177.30	1.35	12.15
incl	177.30	0.35	42.31