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→ Mt. Milligan

## Mount Milligan Project Update

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Placer-Dome Inc.'s acquisition of the Mount Milligan property has the potential to add an estimated 4.8 million ounces of gold and 1.5 billion pounds of copper to the corporate mineral inventory. A preliminary mineable reserve is estimated at 300 million tonnes grading 0.23% copper and 0.56 grams gold (0.016 oz./ton).

The property is in central British Columbia approximately 160 kilometres northwest of Prince George. The proposed mine access route will be along the Germanson Road from Fort St. James which is located 80 kilometres south of the site.

Mineralization at Mount Milligan is associated with shallow-level, alkaline porphyry intrusions. They are emplaced into a volcanic package comprised of pyroclastic and flow units that range from intermediate to basic in composition. The volcanic rocks belong to the Early Mesozoic Takla Group. Two deposits have been delineated. The Mount Milligan deposit, associated with the MEX monzonite stock, consists of copper-gold zones within and marginal to the intrusion and a gold-rich / copper-poor zone located in volcanic strata several hundred metres southeast of the stock. The Southern Star copper-gold deposit is closely associated with the Southern Star stock which lies immediately south of the MEX stock. "Ore" minerals in both deposits comprise pyrite, magnetite, chalcopyrite, gold and trace bornite. They form disseminations, fracture-fillings (microveins), and less commonly veins. Alteration zonation is consistent with other alkaline porphyry copper-gold deposits. Both the Mount Milligan and Southern Star deposits have an inner potassic alteration assemblage with a flanking, more extensive prophyllitic assemblage. Prophyllitic mineral suites locally overprint potassic alteration. Potassically altered monzonite and adjacent volcanic rocks are the primary host for copper-gold "ore". Gold "ore" southeast of the MEX stock is hosted by potassically altered volcanic rocks that have also been overprinted by prophyllitic alteration.

The mineralized porphyry system is over 2,000m long, up to 900m wide, and extends to a depth of 300m below the present surface. A 5 to 50m blanket of overburden covers virtually the whole deposit, with the exception of three small bedrock exposures.

Placer-Dome's present schedule calls for completion of the Mount Milligan feasibility study by the third quarter of 1991. Assuming a positive outcome, construction could commence in the fall of 1991 with production by mid-1993. The proposed mine development will consist of a large open-pit bulk-mining operation. About 180,000 tonnes of ore and waste would be mined each day with three shovels and a fleet of fifteen trucks. Crushing facilities would be set up adjacent to the pit. A 7km conveyor system would transport "ore" to the mill. Milling would be conducted in a 60,000 tonnes per day facility. A conventional copper flotation recovery circuit would be used to produce approximately 200,000 tonnes per year of gold-bearing copper concentrate. Anticipated mine life is in the order of 14 years.

Operations are planned based on a 400 person work force. It is envisaged that employees of the mine will work on a rotation of seven days on and seven days off. Single quarters accommodation at the mine site will house employees during their work rotation. Most of the work force is expected to be drawn from the central British Columbia region, specifically the area encompassing Houston in the west to Mackenzie in the east.