

DELAWARE RESOURCES CORP.

Cominco goes for gold as drilling shows major find

By RODNEY NUTT
Sun Business Reporter

Cominco Ltd. has made an important gold find in northwest B.C.

Cominco chief executive Bob Hallbauer said Thursday the Snip property northwest of Stewart on the B.C. Coast has estimated reserves of 700,000 ounces of gold based on the current drilling results.

At today's gold price, the reserves would have a value of about \$350 million US.

Asked whether the Snip property could develop into another Hemlo, the

Ontario gold camp, Hallbauer said: "We've drilled a lot of holes and so far the results are technically very good.

"The work has been done carefully and the results to date indicate very high grades. That's all we're saying."

Based on existing drilling results, the property contains 1.1 million tonnes of ore grading 0.7 ounces per tonne.

But there's a lot more drilling to be done, which will likely firm up more gold reserves.

An underground program is scheduled for early 1988 to confirm the

continuity and grade of the deposit.

Cominco explorations vice-president Owen Owens said there are other intersections to drill, "so we are optimistic for the property."

The Snip property is a joint-venture development with Delaware Resources Corp., which has financed the work in recent years.

However, the joint-venture agreement provides for an ultimate Cominco interest of 60 per cent.

Canarim director of research Steve Semeniuk said there's "no question it's a major find, and Delaware stock has been edging up recently in anti-

ipation of good results."

The new find means the Stewart area is developing into a major gold area.

The Snip property is close to Skyline Explorations' Johnny Mountain property, expected to come into production next year, and Westmin Resources Ltd.'s Big Missouri and Sibak Premier properties, also scheduled for production in 1988.

Skyline will produce 70,000 ounces of gold a year and Westmin 80,000 ounces of gold and more than 500,000 ounces of silver a year.