

George Cross

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WESTERN CANADIA

DIA MET MINERALS LTD. (DMM-V)

EXPLORATION UPDATE - Wayne C. Fipke, reports Dias Met Minerals Ltd. has dropped its option to earn a 75% interest in the J & L claims near Princeton, B.C. The company considered results for platinum and olivine not sufficiently encouraging. Dia Met has also changed its option agreement on the Northern Gold and Bandit claims held by Chevron Minerals Ltd. in the Tatsamenie area, B.C. Encouraging results on the gold prospects were obtained; however, Dia Met has decided to concentrate its efforts in other areas. The company will receive a 1% net smelter royalty on production after reimbursements of some Chevron expenses. Some of the claims cover ground adjacent to the reserves of the Golden Bear mine.

At the Jack claim north of Golden, B.C., two more gem-quality microdiamonds have been recovered from drill core. Dia Met also reports the inclusion of type G-10 pyrope garnets from processing by C.F. Mineral Research Ltd. Joint venture partners Chevron Minerals and Island Star Resources Ltd. have options until 2Apr90 and 31Jul90, respectively, to provide funding to earn working interests. The claim hosts a 54-acre diamondiferous lamproite pipe-like volcanic rock formation with an early sandy tuff and a later phase. Australia's Argyle, the world's richest diamond mine, is also a lamproite with comparable phases, with the highest diamond grades occurring in the sandy tuff.

There is still 800 kg of drill core remaining to be processed. As previously reported, a 0.53 mm macrodiamond was recovered from a sandy tuff surface sample. A program of bulk sampling is planned using Dia Met's 50 tonnes per day diamond recovery plant located near Fort Collins, Colorado. (SEE GCNL No. 207, OCT.27/89, P.3 FOR OTHER DIAMOND DATA)

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~~P. F. Fipke~~

~~Bill [unclear]~~