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8) GOLDEN BEAR [MI-104K079]: Attended the OFFICIAL OPENING of the HEAP LEACH mine on September 17, 1997. Wheaton River Minerals Ltd. had a charter Dash 7 aircraft go up to the mine, with a stop in Smithers. Some VERY pleasant (and deserved) surprises: the gold recovery cycle has advanced more rapidly than initially expected. Approx. 20,000 ounces of gold (in 29 bars, each weighing approx. 700 oz gold (+ minor silver)) have been produced (incl. approx. 2000 oz poured in the 3 bars during the official opening) since leaching began on August 6, 1997, representing a recovery rate of 50% in the first 40 days. The company is tickled pink with this "exceptional" recovery since most of the gold produced so far has come from the first 2 "lifts" of ore on the Fleece Bowl leach pad, and this year's program included 3.5 lifts. Gold production will continue until the mid-latter part of October. Mining of ore from the Kodiak A pit has been completed; 385,000 tonnes mined, and 360,000 tonnes crushed and 354,000 tonnes put on the pad, with a (crushed) grade of 3.47g/t Au (116% of plan). The FIRST gold bar was poured on August 13th. Also, the cyanide consumption has been less than 10% (down to 4%) of that forecast; lime consumption has also been lower than expected. Both factors have/will lead to substantial savings. Gold production for 1997 was forecast at 25,000 ounces; the company should exceed this. Over the next 4 years, an average of 45,000 ounces of gold is forecast to be produced. Capital costs in 1997 were \$4.8 million and will be a further \$5 million over the life of the mine (5 years). Cash production costs are expected to be US\$232 per ounce gold. About 80% of the gold has been sold forward at US\$379 per ounce - another pleasant surprise. At its peak operation this summer, the mine employed 61 persons directly and a further 73 people through contractors (i.e. total = 134). Approx. ONE-THIRD of the total work force is of First Nations origin.

Over the past month, the liner for the Totem Creek leach pad has been put in place, ready to begin leaching next year, and approx. 500,000 tonnes of waste has been removed from the Ursa zone pit. A total of 1 million tonnes will be removed prior to ceasing work this fall. The capacity of the Totem Creek pad is 1 million tonnes. A second processing plant will be constructed adjacent to the pad. The opening ceremonies include addresses by Chief Tashoots (Tahltan Band, Telegraph Creek) and Jim Hoffweber (MOE, Smithers). Both were complimentary to their relations with the mine; in particular, Jim stated that MOE is so pleased with the project that it intends to use it as a MODEL for any future heap leaching projects in BC! From an exploration standpoint, drilling and trenching this season was NOT too successful in identifying additional ore. Although trenching and drilling in the Limestone Creek area (C+C zone) did encounter gold mineralization, it is low grade. Much more detailed work remains to be done, including regional properties. Gerry Ray, GSB-Victoria, spent a few more days on the property recently examining the Carlin-type characteristics. [PHOTOS]