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Tom Schroeter, Senior District Geologist

BLACKDOME MINE (MI-0820 - 051,052,053)

On May 16th I visited the Blackdome Mine. Hosts included: Dave Rennie - Mine Geologist, Bill Busse - Mine Manager, Bill Price - General Manager (Van.), John Bucholz - Exploration Manager, and Bill Muir - Mill Superintendent.

In 1987, Blackdome spent approx. \$1.5 million on exploration, primarily on the south end of the property. A late program in Oct.-Nov. last year yielded encouraging results and led to the discovery of a new vein (shear zone) called the Watson Vein (after Ivor Watson, Consultant). Aggressive trenching and drilling on this vein has led to an underground program which should intersect the vein in about a month from the 1860 Level. The Watson Vein, which was totally covered by overburden, was discovered by careful geochemistry (soils at 10m intervals on lines 100m apart) and surface trenching of 5 trenches. Quartz vein(s) occur in a shear zone 3 to 6 metres wide (up to 12m) i.e. larger than No. 1 and No. 2 vein system to the north. The structure has been traced for over 2km (and probably joins up with the No. 1. and No.2 veins) and 500m has been drill tested. Company officials feel the zone plunges northward. Host rocks are gently dipping andesitic flows of the lower Andesite Unit. The vein(s) dip 50° to 75° west and exhibit coarse vuggy textures and locally, strong brecciation.

The 1860 level portal will have about a 60m back.

During 1988, the exploration budget is estimated at \$6 million and, will include 21336 metres (70,000 feet) of diamond drilling. Surface drilling was in progress on the Grant Vein (NW end of property). Compared with other veins on the property, this vein dips steep to the east. Also, abundant amethyst and or sugary quartz characterize this vein. If successful here, an underground program could follow.

On the 2050 Level (North end), there was limited economic success from surface; more development planned for underground.

Surface mining from the small open pit on No. 1 Vein continued on a limited status, primarily robbing pillars.

Limited surface mining was also carried out from the No. 2 vein (north end).

On a significant geologic note, the so-called resistant 'dacite domes' are merely erosional remnants of the 'upper Andesite' Unit conformably overlying the rhyolite unit.

Most of the current underground mining is from the southern portion of the vein system with access from the 1870 level (lowest development to date). The 1970 level is in the 'Lower Andesite' Unit. The quartz veins are not well defined (i.e. narrow, branching) and lack significant wallrock alteration. Veins exhibit coarse, vuggy textures with local, strong brecciation. As is (was) the case elsewhere along the vein system, ore shoots (20 to 70m in length) are difficult to find; nevertheless, the reward is great (i.e. > 34g/t Au)

Currently the mill is operating at 200 tonnes per day at a cut-off grade of 8.6 g/t Au. In 1987, Blackdome produced approx. 47,000 ounces of gold. 1988 production is estimated at 55,000 ounces with 5 to 8 years mine life, Blackdome could eventually produce in the neighbourhood of ½ million ounces of gold - not bad for a "small" Tertiary epithermal gold deposit in British Columbia!

Regionally, Canamax Res. has recently acquired their first property in B.C. - the Gaspard Lake gold prospect located approx. 20km NW of Blackdome. This new Au-As showing was optioned from Barney Bowen as a direct result of the FAME '86 program (Sept.-Oct., 1986). There was some fierce bidding for this property. Canamax are already on the property with Fred Harris in charge.

FAME
BOWEN
NOTE

Along strike of the Watson Vein, Lexington Res. has been courting several companies on their adjoining property. Apparently, the proposed deal is tough, even though surface indications are weak.

GEOLOGICAL ASSOCIATION OF CANADA MEETING - St. John's, Newfoundland

Between May 22nd and May 25th I attended the annual GAC meeting in St. John's, Newfoundland. (airfare courtesy of MDD, rest-self). Registration was around 1300 - a good number, albeit a low number of 'economic' geologists. Highlights for me were:

- installed as Chairman of Mineral Deposits Division at annual MDD luncheon.
- visited Foxtrap pyrophyllite mine near Manuel's Harbour (high alumina alteration assemblage - à la Equity Silver).
- visited Newfoundland Department of Mines offices.
- discussed Provincial roles and directions with Dave Strong, (Head-Geology) and Lou ? (Dean of Science), Memorial University.
- attended mineral deposit oriented talks on a) Carolina Slate Belt b) Nova Scotia c) New Brunswick d) Newfoundland (especially Deer Cove and Hope Brook deposits) and e) B.C. (McMillan).
- discussed pre-meeting field trips concerning middle Paleozoic calderas and plutons of west-central Newfoundland and ophiolite-hosted mineral deposits of central Newfoundland.
- made several new 'contacts'.

EXPLORATION OUTLOOK

The exploration/development outlook is very promising with at least 2 potential new mines for '88 (Lawyers and Reg) and another dozen (12) new mines in 1989. All together, these new mines could increase annual gold production to 1 million ounces (cf. 1987 prod. = approx. 314,440 oz; est. 1988, @ 375 million) and more than 10 million ounces of silver. More than 2000 direct workers could join the permanent mine workforce which will create a tremendous market for skilled workers (especially underground). I suggest mining schools (6 month duration) should be set up at 1) Britannia 2) Rossland + 3) Smithers - anything Ministry of Mines can do with Education Ministry and Industry?

TRAINING
VIC,
COMMENTS?