

panga. Dizon and Pisimpan will own 25% each of the new company while Nissho will own 40%, with the remaining 10% to be sold through the stock exchanges. The cost of the project has been estimated at P400 million (\$US1 = P21.2).

#### Assay Results From Calpine's Eskay Creek

Calpine Resources Inc. has received the complete assay results for 10 drill holes from the 21 zone discovery on its Eskay Creek property northwest of Stewart, British Columbia (*MJ*, October 13, p.299). The results include: 9 m of 2.7 g/t Au, 18.8 g/t Ag, with negligible Pb, Zn, Cu; 24 m of 1.3 g/t Au, 51.4 g/t Ag, 0.8% Pb, 1.5% Zn and 0.1% Cu; 26 m of 3.8 g/t Au, and 112.5 g/t Ag; 10 m of 24.4 g/t Au, 527 g/t Ag, 1.7% Pb, 2.9% Zn, and 0.3% Cu; 4 m of 6.3 g/t Au, 663 g/t Ag, 2.7% Pb, 0.9% Zn, and 1.4% Cu; 16 m of 9.7 g/t Au, 374 g/t Ag, 1.8% Pb, 3.8% Zn, and 0.3% Cu; and 5 m of 34.6 g/t Au, 2,588 g/t Ag, 1.7% Pb, 2.9% Zn and 0.4% Cu. Diamond drilling on the 21 zone has now tested a 1,350 m strike length of mineralization and two drill rigs are continuing work on this zone.

## DEVELOPMENT

#### Ardlethan Sale?

Lachlan Resources NL has signed an option to buy the Ardlethan tin mine from Aberfoyle Ltd for \$A2.05 million. Situated some 500 km southwest of Sydney in New South Wales, the mine was closed in 1986 and it has been on care and maintenance for most of the intervening time. According to *Metals Gazette*, the property has 8.8 Mt of tailings grading almost 0.2% tin along with an alluvial resource of 530,000 t grading 0.1% Sn. The hard-rock resource is estimated at 1.3 Mt of which 300,000 t at 0.45% could be open-pit mined. During the six-month option period, Lachlan will test the tailings and alluvial material in a 5 t/h pilot plant.

#### Go-Ahead For Deborah Project

A determination from Victoria's Minister for Planning and Environment, Tom Roper, has recommended that Bendigo Mining's proposed 150,000 t/y underground gold mining project on the Deborah Reef in Bendigo should go ahead. This clears the way for the granting of mining titles. The company now plans to proceed with the necessary financing and operational plans for the proposed \$A20 million mining project (*MJ*, October 2, 1987, p.265).

Underground exploration has identified a reserve of 800,000 t of ore which

will be accessed through a 360 m-deep, 3.5 m-diameter, raise-bored shaft located in the north Deborah mine area. Primary and secondary crushing will take place underground. Ground ore in slurry form with mine water will be pumped to a treatment plant located 9 km distant and remote from the Bendigo urban area. The 10 cm steel pipeline will follow the local creek and other easements to the gold extraction site where the plant, water evaporation ponds and tailings storage sites will be located.

#### New Proposal For Kerr Mine

Toronto-based GSR Acquisition Corp. has sent a proposal to the creditors of the Kerr gold-silver underground mine located 40 km east of Kirkland Lake, Ontario which, if accepted, could see operations resume at the 51-year-old mine. Golden Shield Resources went bankrupt this summer with debts of close to \$C5 million. The mine employed some 300 people.

#### Mica/Graphite Project In Brazil

Cia Araguaia de Metais Nobres, a small mining company, is developing a mica and graphite mine called Serra Branca at Minacu in Brazil's state of Goias, and has just opened a pilot micronizer plant in Sao Paulo (to reduce the minerals to micron-sized particles). The mine is expected to start by June 1990, operated by Semper Mineral Quimica Ltda. The pilot plant, operated by Mikron Mineral Ltda, is currently producing 2,400 t/y of micronized mica, graphite and talc. Seven such machines will be installed at Anapolis, Goias, to produce eventually 15,000 t/y.

#### Mexican/U.S. Contracts For PAH

Atlas Corp. has awarded two consulting contracts to Pincock, Allen & Holt (PAH) for projects in Nevada and Oregon. In Nevada, PAH will conduct a feasibility study on the Gold Pick, Gold Ridge and Goldstone open-pit gold projects adjacent to Atlas's Gold Bar mine and mill near Eureka. In Oregon, PAH will provide ore reserve estimation, mine planning and deposit modeling for inclusion in the feasibility study on the Grassy Mountain gold project near Vale. The study is being conducted jointly with Kilborn Engineering and Steffen Robertson & Kirsten. Atlas's total in-place resource on its four Nevada gold deposits in Eureka County are 1.49 Moz, of which 869,000 oz are proven reserves. The Grassy Mountain deposit is said to contain 1.19 Moz, of which 169,000 oz are proven.

In Mexico, PAH has completed a two-phase contract for Cia Minera de Cananea's large open-pit copper mine and processing facilities in Sonora and smel-

ter in Baja California. The contract included optimization studies. Cia Minera Autlan required a technical and economic audit of its manganese mine and processing facilities in Central Mexico. Both contracts include a prospectus for use by Nafinsa, the Mexican Government's national development bank and an important equity holder in the two companies.

#### Japanese Interest In Texas Smelter

Mitsubishi Metal Corp. has received expressions of interest from three major Japanese companies concerning a share holding in its copper smelting project in Texas. Mitsubishi is planning the construction of a smelter with a rated capacity of 150,000 t/y of anodes, starting in October 1991. The smelter will be built along the Gulf of Mexico to facilitate ore imports from Latin American countries. The project is estimated to cost more than \$260 million (*MJ*, October 28, 1988, p.347).

Positive responses have been received from Nippon Mining Co. Ltd, Dowa Mining Co. Ltd and Furukawa Co. Ltd. However, Mitsubishi is hoping to find partners from the U.S. before fixing the size of individual stakes.

## PRODUCTION

#### Gold Pour In Victoria State

Perseverance Mining Corp. Ltd recently poured the first gold from its 1 Mt/y Nagambie open-pit heap-leach operation in central Victoria, Australia, the first new gold mining project in that State for many years. The property hosts proven and probable ore reserves of 7 Mt grading 1.2 g/t gold, although some of the ore occurs in higher grade pockets. The company is planning to produce 40,000 oz in the current financial year, rising to 50,000 oz/y thereafter.

#### Mediation Halts Strike At De Beers

South Africa's National Union of Mineworkers, representing about 6,500 black miners at five diamond mines owned by De Beers Consolidated Mines Ltd, has halted strike action pending mediation (*MJ*, October 13, p.318). The miners had voted to strike after rejecting an offer by De Beers for wage increases of between 16 and 17%. The union demanded increases ranging from 18 to 37%.

#### Samatosum On Stream

Despite gremlins attacking this page two weeks ago (*MJ*, October 6, p.279), partners Rea Gold Corp. and Minnova Inc. will be holding the official opening of the Samatosum silver mine in British Columbia on October 25.