

ore during close to three years of production. Remaining open pit and underground proven and probable reserves are 320 000 tonnes grading 5.08 g/t Au. Reclamation is underway.

QR was the site of the largest exploration program in the region in 1997 and aggressive diamond drilling continued into early 1998 with the completion of more than 80 shallow holes. The focus of the program was to outline near surface, open pit reserves that would keep the mine in operation. Encouraging assay results from late 1997 led to concentrated drilling of a new discovery, the Northwest zone, just north of the West zone haul road. Drilling was unable to identify economic reserves, but did establish a resource for the zone of approximately 120 000 tonnes grading about 3.5 g/t Au.

## GIBRALTAR

Near McLeese Lake, Boliden Limited became owner of the Gibraltar open pit copper-molybdenum mine in January, 1998, through its takeover of Westmin Resources Limited. In March, Boliden completed an extensive review that concluded the Gibraltar mine was uneconomic and followed with an announcement that the mine would close in December. Closure would coincide with the exhaustion of reserves in the Gibraltar East pit. Rock stripping of the Pollyanna stage 4 pit was suspended in the spring to cut overall operating costs. However, a profitable first half of operations (primarily because mine management had presold 50% of its copper production at \$US 0.98/lb., arranged lower smelter charges and reduced operational costs) convinced Boliden to allow the mine management team to proceed with a restructuring plan. NGMT Resources Ltd. (New Gibraltar Management Team) was formed to take over ownership of the mine and Pollyanna rock stripping resumed. In mid-December, Boliden announced that NGMT was unable to arrange the required financing to sustain operations at Gibraltar. Mining and milling ceased in mid-December. The operation employs 278 workers who will focus on reclamation and general clean-up until they are laid off at the end of February, 1999.

In 1998 the mine produced approximately 32 238 tonnes of copper and 398 tonnes of molybdenum in concentrate, from 12.39 million tonnes of ore milled at an average rate of 35 380 tpd. Mining was primarily in the Gibraltar East stage 3 pit. An additional 1658 tonnes of cathode copper was produced from the solvent extraction-electrowinning plant (SX-EW) via acid-leach processing of low-grade ore and oxide material. The total mineable sulphide ore reserve for the Gibraltar copper-molybdenum porphyry deposit, as of January 1, 1999, is 148 685 000 tonnes grading 0.305% Cu and 0.010% Mo. The total leachable ore reserve is 14 813 000 tonnes at an acid-soluble grade of 0.148% Cu.

PG, Roundup '99