EXPLORATION ROUNDUP





Taywin seeks Au, Cu at Vancouver Island's old Merry Widow Fe-mine

Taywin Resources Ltd. has a major exploration program focused on the Merry Widow deposit, site of former iron-ore production and associated copper-gold mineralization, on Vancouver Island, British Columbia. The deposit is about 40 km south of Port McNeil in the northern part of the island. In 1989, based upon the local knowledge of Taywin's president, the company began to acquire all government grants and leases on the deposit to investigate the potential of the remaining ore near the Merry Widow open pit. Independent study is also being undertaken by Ministry of Energy, Mines and Petroleum Resources' geologists. Taywin's program included 42 diamond-drill holes totalling nearly 3,000 m as well as magnetometer surveys (along the margin of a gabbro-diorite intrusion), rehabilitating an existing adit (the 500-m long Kingfisher), trenching, mapping, and sampling. The existing underground workings, including draw points, raises, and sublevels are well situated for exploration and production, and would have cost over \$C1 million to develop says Taywin.

Assays have been reported for 16 drill holes, and 41 intercepts. The best gold grade found was 2.57 oz/st with 3.37% copper over 1.2 m, while the

largest intersection was 181 ft grading 0.127 oz/st plus 0.20% copper. Taywin believes that there is potential for at least 3 million st ore grading 0.10 oz/st with 0.30% copper plus unspecified cobalt credits (the Merry Widow pit has produced collector-quality specimens of crystalline cobaltite with specks of native gold). Preliminary evaluations indicate that recoveries of 75-80% of the gold and copper values are realistic using a gravity/flotation plant avoiding the environmental concerns associated with cyanide. Initially, the ore could be trucked to a nearby copper-gold mill.

Other discoveries of interest in the area include the Bluebird, Marten, Snowline, and South Pit showings; the Whiskey Jack deposit described in old reports remains to be explored. The Bluebird and Marten replacement-deposits are more irregular in shape and distribution. The main concentrations of massive sulphide are tabular/lenticular and, thus far, are no more than a

The area includes massive and pillowed basalt-flows and breccias with interbeds of limestone and calcareous tuff cropping out at lower elevations on the flank of Merry Widow Mountain. The abundant andesitic dikes and sills

intruding all layered rocks are probably feeders to breccias.

Both government and industry geologists have stated that the Merry Widow deposit was "a sleeper long overlooked by explorationists," and the property has a long history. In 1897 what was to become the Old Sport copper-gold deposit was staked adjacent to Taywin's current holdings. Subsequently Quatsino Copper Gold Mines Ltd., formerly the oldest trading stock on the Vancouver Stock Exchange, was formed to explore the copper, gold, silver, nickel, and cobalt mineralization of the area. In the 1920s Cominco Ltd. investigated the Old Sport property, and ultimately put it into production in the 1960s.

The first major mining operation at Merry Widow, however, was based on magnetite iron ore. In 1957 Empire Development Co. started up an open pit and 2,000 st/d plant and commenced shipping high-grade iron ore to Japan. The company was not aware of the existence of copper associated with the iron ore. In fact, the Raven pit was backfilled with "waste" which had a high copper and gold content. In 1961. government geologists reported gold in

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nova Inc.

the copper skarns, but since the copper could not be recovered, neither could the gold. Nor was the prevailing \$35/ oz gold price much of an incentive. The iron ore mine closed in 1967 after producing 3.8 million lt iron ore.

Cominco subsidiary Coast Copper reopened Old Sport (to the north of the Merry Widow) in 1962. Between 1967 and 1972 it mined 2.5 million mt ore, producing 91.8 million lb copper, 385,000 oz silver, and 125,000 oz gold from the copper-gold orebody on Quatsino and Old Sport ground.

The association of iron ore (magnetite) with adjacent copper and gold mineralization is reminiscent of the situation at the Saattopora gold mine in Finland (see E&MJ, June 1989). There mining operations started on a magnetite deposit, then a copper sulphide deposit adjacent to the main deposit was exploited, finally the Saattopora copper-gold mineralization was discovered in the same general district.

Taywin's work in the area has now progressed to the point that Noranda Exploration Inc. signed an earn-in option (up to 51% interest) in September 1990, that requires a \$C250,000 exploration expenditure within six months, spending an aggregate of \$C1.5 million on the property within two years as well as paying an additional \$C100,000 in cash to Taywin.

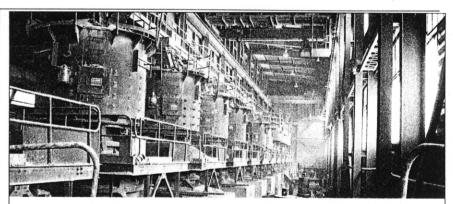
Inland Gold and Silver Corp. has leased the 2,160 acre Annie property in northwestern Nye County, Nev., and is conducting geologic and geophysical surveys to define drill targets. The Spokane-based company said that the Annie claims cover a portion of a major northwest-trending mineralized structural zone which also contains FMC Gold Co.'s Paradise Peak mine 41/2 miles to the southeast.

Inland is stepping up exploration at its Toiyabe gold mine in Nevada's Lander County, and has increased its land position by more than 7,000 acres, to a total of 34,000 contiguous-acres, much of which is unexplored. Toiyabe has yielded over 70,000 oz gold to date. Gold output is expected to be about 15,000 oz for 1990.

Opawica Explorations Inc., which is down to \$400,000 in cash reserves, has had to forego all exploration over the past three years in its pursuit of arbitration of the alleged breach of fiduciary duty by Falconbridge Ltd. and Min-

The company has now brought suit for damages in the amount of \$50 million, conveyance of the Lac Shortt property, located in Gand Township, Quebec, together with recovery of profits from mining the 22-claim, 380-hectare, gold deposit. The deposit had reserves, beginning 1989, of 599,000 mt grading 4.7 g/mt plus possible drillindicated reserves of 885,000 mt averaging 4.6 g/mt.

NDU Resources Ltd. reported additional assay results from six diamond-drill holes on the Blende property, near Keno Hill, Yukon. All holes were drilled to the north at minus-50°. The best intersection of 15 was 117.4 ft grading 1.98% lead, 3.73% zinc, and 0.94 oz/st silver; the best combined grade encountered was 12.00% lead plus zinc (4.25% and 7.75% respectively) plus 4.83 oz/st silver over a total 25.9 ft interval.



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