

Westmin tests gold properties

By ROD NUTT
Sun Business Reporter

Westmin Resources Ltd. looks certain to develop two gold properties in northwest B.C. near Stewart at a cost of \$62 million.

A minimum of 120 permanent jobs would be created.

Westmin's western explorations manager Harlan Meade said Wednesday the company is "proceeding immediately with a detailed feasibility study and will submit a stage-one environmental and socio-economic impact report to the provincial government by early April."

The two properties are British Silbak Premier Mines Ltd. and Tour-nigan Mining Explorations Ltd.

Meade said Westmin would pay back the \$62 million capital cost over two years based on a gold price of \$390 US an ounce and a silver price of \$5.40 US; and cash operating costs of \$134 US an ounce for gold and \$3.06 US an ounce for silver.

Gold and silver production would start in September 1988.

During the first three years of higher grade production, the annual output is estimated at 80,000 ounces of gold and 560,000 ounces of silver.

"It certainly is a major deposit," said Odium Brown director of research Steve Semeniuk. "It ranks up there with the big producers on the threshold of one million ounces."

The Sun
Mar. 5/87

WESTMIN

NW PROSPECTOR
FEB/MAR 87

High Grade Values at British Silbak

Premier
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A total of 10,600 feet of underground diamond drilling by Westmin Resources Limited on the British Silbak Premier Mines property near Stewart, B.C. has confirmed and extended the high grade precious metals mineralization indicated by a surface drill program conducted last fall in the Glory Hole area of the property.

Results include a 24 ft. length grading 0.426 oz./t Au and 7.24 oz./t Ag; 31.5 ft. of 2.112 oz./t Au and 3.03 oz./t Ag; 241.6 ft. of 0.107 oz./t Au and 1.46 oz./t Ag. From Hole 86-U-160 a 31.6 ft. length graded 1.497 oz./t Au and 34.09 oz./t Ag which included a 1.5 ft. interval grading 20.580 oz./t Au. and 473.90 oz./t Ag.

Preliminary estimates of geological reserves for Silbak Premier and the Big Missouri property to the north, are expected shortly.

Meanwhile, engineering studies evaluating metallurgy, tailings deposition, geotechnical aspects and hydroelectric potential are in progress in preparation for a detailed feasibility study.

Initial discussions have been held with appropriate governmental agencies and with municipal groups at Stewart, B.C. and Hyder, Alaska. Submission of Stage 1 Socio-Economic and Environmental Impact Study is expected in early April. Westmin says it is working toward a production decision in mid-1987.

A minimum 7,000 foot underground drill program is in progress on 2 Level along with drilling on 6 level to define additional underground reserves.

The Silbak Premier and Big Missouri exploration programs are being funded by Canacord Resources Inc. in return for an interest in the properties.