

MINFO



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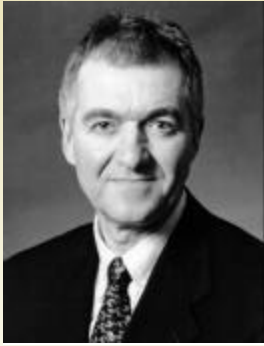


GOVERNMENT OF
NEWFOUNDLAND
AND LABRADOR

Department of
Natural Resources

Mines Branch

Ian Knight - Provincial Geologists Medallist 2004



The Provincial Geologists Medal is awarded each year to an individual who has produced outstanding work at one of Canada's provincial or territorial geological surveys, based on an evaluation of nominees by an external Selection Committee. This year the medal is awarded to Dr. Ian Knight of the Geological Survey, a division of the Department of Natural Resources, Government of Newfoundland and Labrador.

Ian Knight has devoted the past 30 years of his life to mapping and deciphering the geological history of western Newfoundland. Through his exquisite descriptions of the geology of this vast area, he, along with his collaborators, have elegantly portrayed the geological evolution of the ancient continental margin of paleo-North America.

Ian's maps and reports are legendary for their detail, objectivity and accuracy. He reads the rocks like a book with a sharp eye for the smallest detail. His encyclopedic knowledge of western Newfoundland, from individual outcrops to depositional cycles, has made him an invaluable source of information for the petroleum industry. Recognizing his work as exceptional and indispensable to exploration, the Canadian Society of Petroleum Geologists presented Ian with the R.J.W. Douglas Medal for 2000, the Society's award-of-excellence for outstanding contributions to the understanding of sedimentary geology in Canada.

The mineral industry, too, has benefited from Ian Knight's talent and diligence. His elucidation of the geological events that control zinc mineralization in the area was a great aid to mineral discovery. Furthermore, his understanding of the science and art of marble has made him a key contributor to the fledgling dimension-stone industry in the province.

Despite the breadth of his achievements, Ian Knight is an extremely modest man. His co-workers value him as an open and generous person who is unstinting in sharing his scientific expertise. For his tireless energy over three decades, his superior talent for geological observation, and his personal and scientific integrity, Ian Knight is truly deserving of the 2004 Provincial Geologists Medal.

Frank Blackwood

Call For Proposals - Bell Island

On September 29, 2004, the Department of Natural Resources issued an exploration licence to a company interested in seeking markets for the stockpiled iron ore on Bell Island.

Earlier this year, the department received a request from Provincial Energy Ventures Ltd. (PEV) to undertake advanced exploration work involving the removal of iron ore stockpiled near the former mine site, which was abandoned in 1966. The department was required by legislation to issue a Call for Proposals, because the area in question has been designated Exempt Mineral Lands under the Mineral Act in 1977.

The Call issuance resulted in one proposal being received from R. Mercer Exploration and Development Inc. on behalf of PEV. The company proposes to evaluate the potential for producing saleable iron ore from existing stockpiles. This evaluation will consist of a sampling program, employing five people, and will cost approximately \$155,000.

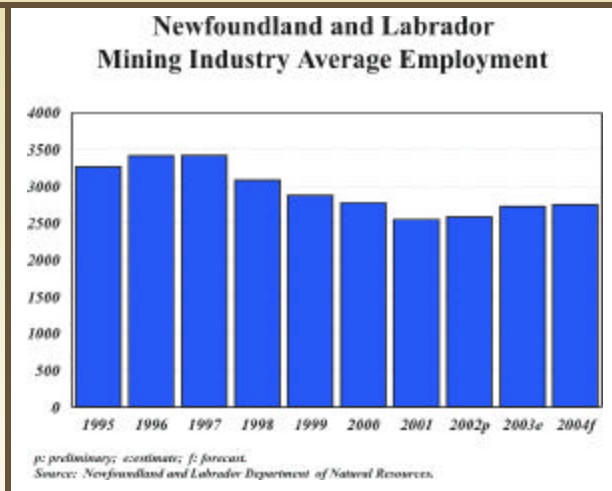
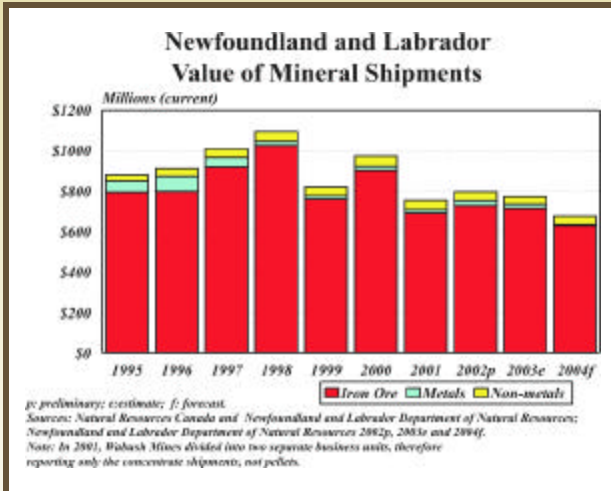
Ed Byrne, Minister of Natural Resources, has issued an exploration licence, which would permit the company to have ore tested to evaluate the market potential of the stockpiled ore. Should this prove feasible, the company would then be required to seek a mining lease. As with any mining project in the province, the project will be administered under the Mining Act, and the company will be required to submit a development plan and a rehabilitation and closure plan containing a financial assurance proposal.

Len Mandville

Industry Update

Shipments and Employment

The total value of mineral shipments in the province is forecast to decrease from an estimated \$772 million in 2003 to \$676 million in 2004, this is due mainly to shipments of iron ore products forecast to be 14 million tonnes in 2004, compared with 20 million tonnes in 2003. Also, Richmond Mines Inc. closed its Hammerdown Gold Mine in 2004. Direct employment in the mineral industry is forecast to average 2,750 persons, compared with 2,700 in 2003.



Voisey's Bay Project

The Voisey's Bay Project continues to progress well through its construction phases at the mine/concentrator site in Labrador, the Demonstration Facility in Argentina and the Inco Innovation Centre at Memorial University. In Labrador, the storage of supplies and equipment on site over the winter months aided in an early start to this year's construction season. Prestripping of the Ovoid has begun, cladding of the mill/concentrator is started and excavation of the port site is finished. Voisey's Bay Nickel Company has additional people on site with approximately 1,400 people employed at the mine and concentrator during August of this year. Inco announced that freight and concentrate handling contracts are almost finalized and 95% of project engineering and 100% of procurement for the mine and concentrator component of phase one is completed. With basic engineering completed for the Demonstration Facility, construction resumed in May on infrastructure including roadways, residue ponds, storm drainage, process building, storage facilities and steel erection. Plant engineering will continue through 2004 including process equipment layout, major item procurement and utilities and services design. At Memorial University, construction of the Inco Innovation Centre is reported as being on schedule and within the construction budget. Including all project components, the 2004 expenditure forecast is \$449 million.



Concentrator, August 2004

As a result of progress on construction and hydrometallurgical research and development, Inco announced in July that it has an opportunity to advance the construction schedule for Voisey's Bay by six months. This would result in commissioning of the mine/concentrator in the third quarter of 2005, versus the first quarter 2006, and possible first shipment of concentrate by the fourth quarter 2005. As prescribed in the Voisey's Bay Project Development Agreement, signed between Inco and government on October 16, 2002, the Demonstration Facility at Argentina must be operational before any concentrate can be shipped from Voisey's Bay.

In August, Inco announced that the mini-pilot program was a technical success and had achieved essentially all of the program's major objectives earlier than expected. Testing of construction materials and the development of design parameters for the Demonstration Facility have been completed ahead of schedule. This will contribute towards the Demonstration Facility being operational by the fourth quarter in 2005.



Demonstration Facility, July 2004

Strikes Resolved in Labrador West

Iron Ore Company of Canada (IOC)

On September 27, 2004, Steelworkers Local 5795 in Labrador West, voted 64% in favour to accept a three-year agreement with IOC. The strike began on July 19, 2004, and over 900 steelworkers in Labrador West were on strike for 10 weeks. Details of the new agreement included the removal of most of the concessions, a start-up bonus, increases in pensions and benefits (the cost of living allowance remained), job reclassifications combined with salary increases, and the hydro subsidy would remain. Also, 39 "employee of the future" graduates will be offered full-time employment. Production has resumed and it is forecast that IOC will ship 11.2 million tonnes of iron ore product this year, down 25% from 2003. With increasing demands for iron ore in international markets, the outlook for IOC is promising.

Wabush Mines

A new five-year agreement between Wabush Mines and Steelworkers Local 6285 was accepted (57%) by union members on October 10, 2004, settling a strike that saw approximately 350 steelworkers off the job for over three months. The new agreement includes improvements in wages for all unionized workers, increases in benefits and pensions, a cost of living allowance roll-in, some job reclassifications, and a signing bonus. Production has resumed and it is forecast that Wabush will ship 4.0 million tonnes of iron ore product, down 20% from 2003. Wabush Mines expects to operate near its capacity of 6.0 million tonnes in 2005.

Beaver Brook Antimony Mine and Mill



Located near Glenwood, the Beaver Brook antimony mine was opened by Roycefield Resources Ltd in 1997. The mine operated for several months before increased production in China caused a significant drop in the price of antimony, forcing Roycefield to close the mine in early 1998.

In August 2003, VVC Exploration Corp. received a scoping study of the deposit from the engineering and geological consulting firm, Watts, Griffis and McOuat. By the fall of 2003 VVC announced it had entered into an agreement to acquire all the mine assets from Beaver Brook Resources for \$17 million in cash, stocks and future considerations. The deal was reported to have been finalized on March 1, 2004.

In late summer, 2004, VVC announced it had completed a 13,000 metre diamond drilling program designed to verify the grade, tonnage and continuity of the deposit. Assay results have been reported for the first 35 drill holes and VVC has interpreted the results to support the continuity of mineralization as well as identify several new zones of mineralization.

The company is expecting to have a feasibility study completed by year-end and is currently endeavouring to raise \$8 million to restart the mine by mid-2005.

Pine Cove Gold Project

The Pine Cove gold project is located 6 km northeast of Baie Verte and is managed by Anaconda Gold Corp. Anaconda has the right to earn a 30% interest in the project from New Island Resources Inc. by spending \$500,000 on exploration and development by the end of 2004. Upon making a positive production decision and arranging project financing, Anaconda would be entitled to 100% of all project cash flows until it's capital costs are recovered. Thereafter, the project would be owned 60%-40% between Anaconda and New Island Resources respectively.

A resource study completed by Anaconda earlier this year outlined a total of 268,700 ounces of gold at the Pine Cove deposit. The company believes it can produce 198,000 ounces of gold over a five-year mine life at a capital cost of \$11.6 million.

Through an agreement with Richmond Mines Inc., a bulk sample from the Pine Cove deposit is being processed at Richmond's Nugget Pond mill located approximately 50 kilometres away. This bulk sample program is designed to provide additional metallurgical data required for the completion of a feasibility study expected this year. To date, approximately 6,500 tonnes of Pine Cove ore has been shipped to the Nugget Pond mill for processing. Anaconda anticipates that if everything goes according to plan, it may bring Pine Cove into production during 2005.

Hammerdown Gold Mine

In May 2004, Richmond Mines Inc. announced that the Hammerdown Gold Mine had exhausted its mineable reserves. Stockpiled ore was processed at the Nugget Pond mill until July after which the mill was put into care and maintenance mode. Gold sales from Hammerdown totalled 15,085 ounces during 2004 and in total, the mine produced slightly more than 143,000 ounces since opening in July 2001. Richmond have since completed rehabilitation at the minesite including the removal of all surface infrastructure and the site has been re-vegetated.

The company is currently processing a bulk sample from the Pine Cove gold deposit at the Nugget Pond mill while seeking additional proposals for custom milling of gold ores. Richmond have also been active on the exploration front and will have invested approximately \$1 million in the Valentine Lake project by the end of 2004.



Duck Pond Mine Project

The Duck Pond project is located in central Newfoundland and contains a massive sulphide deposit containing reserves of 4.1 million tonnes at an average grade of 3.3% Cu, 5.7% Zn, with gold and silver credits.

A development and operating plan for these reserves has been prepared which indicates that a 1 500 tonne per day mining operation could generate an average of 32 million pounds of copper and 53 million pounds of zinc annually over an approximate eight-year mine life. Construction is expected to begin in November 2004 and employ approxi-

mately 200 people and take 20 months to complete. Once operational, the mine will employ approximately 188 people. The concentrate will be trucked to Turf Point on the Port au Port Peninsula for shipping.

Slate Mine Reopened

Hurley Slateworks Company, resumed slate production in Britannia Cove/Nut Cove, Trinity Bay in June 2004, following a shutdown in 2002. The company expects to export 1 800 tonnes of roofing slate in 2004 and employ 36 people in the quarry and processing plant.

Newfoundland Pyrophyllite

Trinity Resources & Energy Ltd. (TRE) purchased the pyrophyllite mine operation in Manuels from Armstrong World Industries in 1998 and have been actively involved in product research and market development. Under the name of Newfoundland Pyrophyllite, the company hopes to produce powder products under the trade name of ALTI-FIL®. The company has identified markets for powdered products and has customers waiting for production to commence. TRE hopes to begin production in 2005.

Keith Bradbury, Tony Burgess, Glenda Carey, John Clarke, Lew Higdon

Mineral Exploration Review

Labrador

Most of the exploration being conducted in Labrador in 2004 is directed towards base metals. The larger projects are briefly reviewed below with the numbers in superscript referring to the map locations on the following page.

Voisey's Bay Nickel Company Limited¹ is conducting a major diamond-drilling program testing the underground extent and resources of the nearby deposits.

At South Voisey², SVB Nickel Company Ltd. is also exploring for nickel. Project operator Falconbridge Limited completed diamond drilling and airborne, ground and down-hole geophysics on the property in 2003, but withdrew from the option in April 2004.

In 2004, two new nickel-exploration projects in Labrador were announced: Altius Resources Inc.'s 1771-claim Michikamau property³ and Cornerstone Resources Inc.'s 1882-claim Konrad property⁴. Earn-in options are held by Teck Cominco Limited on the former and by Falconbridge Limited on the latter.

Other large exploration projects in Labrador are being conducted by: (a) Altius Resources Inc. / Fronteer Development Group Inc. partnership for uranium (commonly also with copper, gold, iron ore)⁵ in the Central Mineral Belt; (b) Crosshair Exploration and Mining Corp. have acquired land in the Moran Lake area thought to have uranium and Olympic Dam-type iron oxide copper gold potential; (c) Gallery Resources Limited, in partnership with BHP Billiton Diamonds Inc., for nickel and platinum-group metals⁶ (d) both Iron Ore Company of Canada⁷ and LabMag Mining Corp.⁸ for iron ore; (e) Nortec Ventures Corp., on an option from Vulcan Minerals Inc., for nickel and copper⁹; and (f) by Fenton and Graeme Scott for heavy mineral placers in and around the Churchill River estuary and Grand Lake.¹⁰

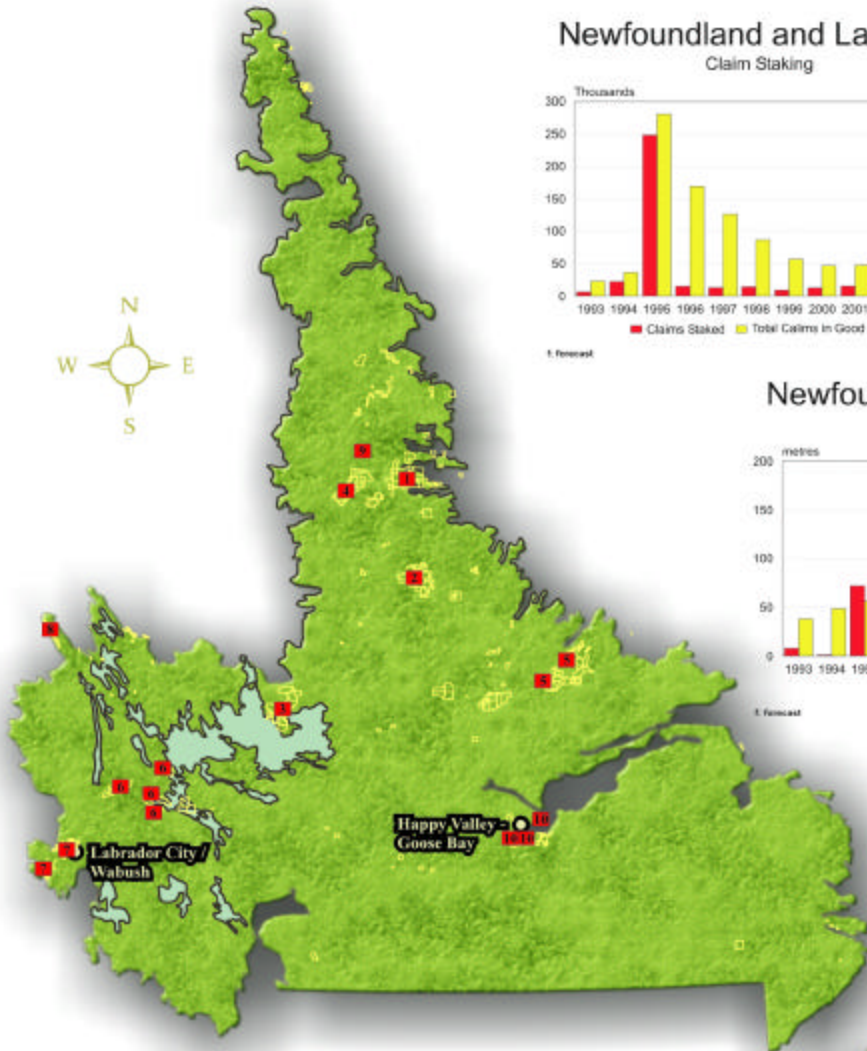
Newfoundland

Most exploration on the Island is focused on precious metals (gold and silver) and base metals (copper, zinc and antimony). The more active projects are briefly reviewed below with the numbers in superscript referring to the map locations on the following page.

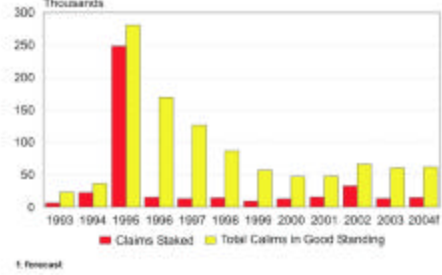
At Pine Cove¹¹, Anaconda Gold Corp. reported a new resource estimate containing 268,700 ounces of gold at an approximate average grade of 2.73 g/mt. Anaconda also have discovered a new, high-grade gold showing approximately two kilometres northeast of the Pine Cove deposit and have optioned the adjacent Dorset gold property.

Rubicon Minerals Corporation have joint-venture, gold-exploration programs underway at Golden Promise¹², with Placer Dome Canada Ltd., and at its Avalon project¹³, with IAMGold Corporation. Diamond-drilling programs are ongoing on both projects as well as at its, new, Golden Bullet gold property¹⁴. Rubicon Minerals Corporation is also exploring for gold on New World Island¹⁵ and at StarTrack¹⁶. Crosshair Exploration & Mining Corp. is exploring three options, all from Rubicon Minerals Corporation, for gold. At Wings Point - Titan¹⁷, trenching and ground geophysics have been completed and diamond drilling beneath and along strike of high-grade gold results from the trenching are continuing. On the Glenwood Break property¹⁸, trenches have been channel sampled at several prospects. Prospecting and soil sampling have been conducted on the Southern Golden Promise option¹⁹ and are in progress at North Paul's Pond²⁰, a separate, wholly owned property.

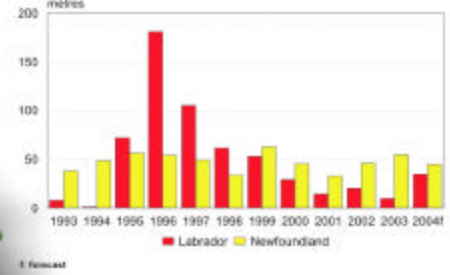
Exploration and Claim Staking in Newfoundland and Labrador



Newfoundland and Labrador
Claim Staking



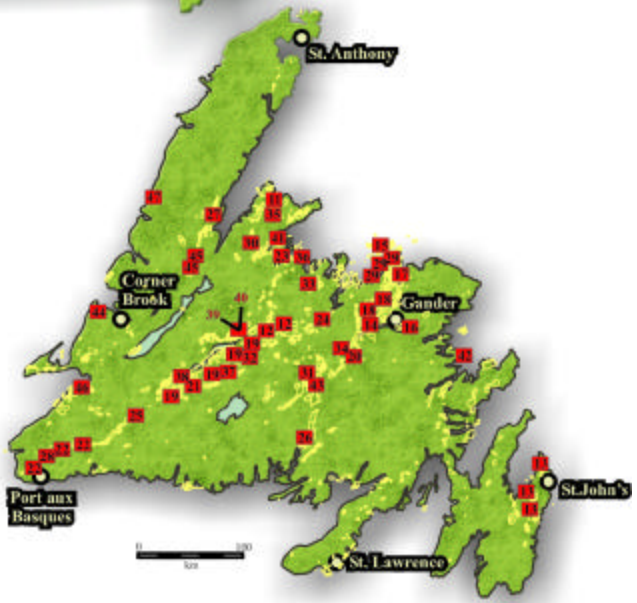
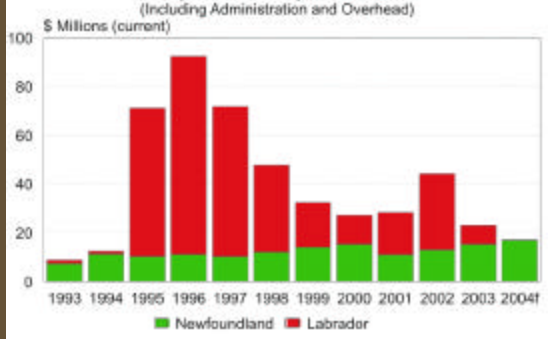
Newfoundland and Labrador
Diamond Drilling



Legend

- Refer to text
- Claims

Newfoundland and Labrador
Exploration Expenditures



Source: Newfoundland and Labrador Department of Natural Resources

Other sizeable gold-exploration programs are operated by Richmond Mines Inc. at Valentine Lake²¹, Cornerstone Resources Inc. at Cape Ray²² and Green Bay²³, both in partnership with Thundermin Resources Inc., Altius Resources Inc. with Sudbury Contact Mines Limited at Moosehead²⁴, Candente Resource Corp. at the Staghorn property²⁵ with Goldcorp. Inc., Moydow Mines International Inc. at True Grit²⁶ for Cornerstone Resources Inc. and Kermode Resources Ltd. at Jackson's Arm²⁷. Terra Nova Gold Corp. is active at its Cape Ray gold-silver properties²⁸. All of these projects involve diamond-drilling programs during the 2004 exploration season.

Also, Cornerstone Resources Inc. will conduct trenching programs on its Bay of Exploits gold properties²⁹ and airborne geophysics at Green Bay²³ and the El Strato gold property³⁰. Meridian Gold Inc. has signed an option-joint venture agreement with Rubicon Minerals Corporation on the Huxter Lane gold project south of Bishop's Falls³¹. Aur Resources Inc. continues exploration at the Duck Pond and Boundary zinc-copper-silver-gold properties³². A production decision for Duck Pond is still pending.

TLC Ventures Corp. optioned the Point Leamington mining lease³³ from Rubicon Minerals Corporation. A new inferred resource estimate for the zinc-copper-gold-silver deposit of 520 million pounds of zinc and 348,000 ounces of gold, at a 1% zinc cut-off, was reported in March 2004. A 3 200m diamond drill and down-hole geophysical program is currently in progress. Altius Resources Inc. completed deep diamond drilling at its copper-gold Rambler North property³⁵ and at its Pilley's Island zinc-copper property³⁶, and airborne geophysics over the S. Tally Pond base-metal property³⁷.

Other predominantly base-metal exploration projects underway include: (a) Tulks East³⁸ by Messina Minerals Inc.; (b) Buchans Junction³⁹ by Vinland Resources Limited; (c) Mary March⁴⁰ by Candor Ventures Corp.; (d) Cornerstone Resources Inc. with Sudbury Contact Mines Limited at Colchester⁴¹; and (e) Falcon Ventures Incorporated for copper at Salvage⁴². Also, Gallery Resources Limited is active at its joint base-metal - precious-metal Katie property⁴³ and South Coast Ventures Inc. optioned its York Harbour base-metal property⁴⁴ to Wolfden Resources Inc. At the Rocky Brook uranium-silver-gold property,⁴⁵ Cameco Corporation withdrew from its option with Altius Resources Inc. and Vulcan Minerals Inc is exploring for salt at Flat Bay⁴⁶ and oil at Parsons Pond⁴⁷.

Ges Nunn

Profile of a Prospector



Avid outdoors man and hunter, Gerry Furlong is another of this province's newcomers to the prospecting field. These interests suit him perfectly for his new found love of prospecting. Active in the industry for four years, Gerry was introduced to prospecting by a prospecting friend of his and a local geologist. Due to work commitments, he has not had the opportunity to take the two-week prospector training course, but has taken every opportunity to attend seminars and regularly visit the Matty Mitchell Room and the Department of Natural Resources.

Gerry was born in St. Brendan's in the late 1950s and as a teenager moved with his family to the St. John's – Mount Pearl area. He graduated from Beaconsfield High School in 1975. He attended MUN for three years pursuing a commerce degree, but then switched to the College of Trades and Technology, undertaking a carpentry program. Upon graduation, he worked seasonally with various construction companies, mostly in St. John's.

In 1989, he started his own construction company which he operated until 2000. Since then, he has worked on a variety of construction projects in Ontario, Labrador City and most recently at Voisey's Bay.

Since 2000, he has prospected various parts of the Island, both on his own and with other prospectors/geologists. His prospecting trips have taken him across the Avalon, onto the Burin and Bonavista Peninsulas and as far west as the Burgeo Highway. He has staked claims in a number of areas both for precious and base metals. He has received several prospectors grants and in each field season has discovered several interesting showings, but as yet has not optioned a property to an exploration company.

Gerry fully believes that economic mineral deposits are out there waiting to be discovered if only, as he says, "you are lucky enough to land or walk on the right spot." Gerry also adds with a smile, "you have to truly love the outdoors if you want to be successful in prospecting". He wishes that more prospector training courses and seminars were available throughout the year and at different locations across the province. As he says, because of the seasonal nature of his carpentry work, it is difficult at the start of construction season to take two weeks off and do the prospector course in Stephenville because that's when his work starts.

Gerry fully believes "the mother lode is out there to be found". "Ninety percent of the places that I have gone to for to prospect, I have turned up indications of mineralization". He also adds that whether the government offered prospector grants or not, he would still be out there searching. He really enjoys this activity and now his hunting, much to the distress of his hound dogs, has become secondary to prospecting. His only hope for his dogs is to train them as it has been done in Finland to sniff out hidden sulphides or other metal indications.

Norm Mercer

Geological Survey's Field Program

The Geological Survey's main field program for 2004 consisted of seven projects.

Regional Bedrock Geological Mapping

Sean O'Brien spent a 2-month field season mapping stratigraphic sections of late Precambrian and Cambrian sedimentary rocks on the Bonavista Peninsula and area. This work seeks to establish a regional framework for copper mineralization in these rocks, and was conducted in collaboration with Cornerstone Resources. Further studies of newly discovered Precambrian fossils near Catalina were also undertaken. Field mapping and related studies of the gold-bearing volcanic and intrusive rocks in the Holyrood (NTS 1N/6) and St. John's (NTS 1N/10, 15) areas were also undertaken in conjunction with company gold exploration activity in these areas.



Don James and *Bruce Ryan* carried out a 2-month field season to complete mapping of the corridor from Nain to the Québec border in the northern part of NTS map area 14D. The region is underlain by the Nain Plutonic Suite, older intrusive rocks and gneisses of both the Nain and Churchill structural provinces. Its geological position makes the area prospective for mineral deposits similar to that at Voisey's Bay just to the south. This is a collaborative project with the Geological Survey of Canada under Natural Resources Canada's Targeted Geoscience Initiative.



Ian Knight conducted a 2-month field project in Cambro-Ordovician carbonate rocks in the Phillips Brook, Georges Lake and Harrys River areas (NTS 12B/9 and 12B/16), western Newfoundland. This work will aid exploration for marble, carbonate-hosted base-metal deposits, and oil and gas exploration. In-house paleontological support was provided by Doug Boyce. This project is coordinated with projects by T. Calon and E. Burden of the Department of Earth Sciences, Memorial University of Newfoundland, whose research is being funded by the Targeted Geoscience Initiative.



Mineral Deposits Studies

Gerry Squires carried out the third year of a central Newfoundland metallogenic project. The first part of the field season was directed towards completing a synthesis of the base-metal mineralization of the Tally Pond belt, south of Red Indian Lake. The second part of the field season continued work on gold mineralization in the Grand Falls–Gander area. Field work will help synthesize knowledge of the new gold discoveries and develop models to help guide further exploration in the region.



Lawson Dickson carried out investigations of the dimension-stone potential of the Great Northern Peninsula and areas of southeastern Labrador that are accessible from the new highway. Further work was also carried out on the marble–limestone dimension-stone potential of western Newfoundland and similar rocks in Labrador West. The project seeks to identify new opportunities for dimension-stone development in the province.



Geochemistry, Geophysics and Terrain Sciences

Shirley McCuaig initiated a new 2-month field project in the Central Mineral Belt of Labrador. It consisted of systematic sampling of tills for geochemical analysis over an area covering approximately two 1:50 000-scale map sheets within NTS 13K. Also, the density and quality of lake-sediment geochemistry was upgraded in selected areas. Surficial mapping focused on the distribution of surface sediments, their genesis and utility for geochemical sampling, glacial dispersal, and ice-flow history. This was a collaborative project with the Geological Survey of Canada under the Targeted Geoscience Initiative.



Jerry Ricketts carried out the second year of a project designed to examine the road corridor between Red Bay and Cartwright, Labrador. This project is aimed at the identification and assessment of granular aggregate deposits for use in the construction industry. The opening of the new highway has resulted in a steady demand for high-quality aggregate, and it is important to be able to identify resources in a timely manner. The project had a 2-month field season.



Baxter Kean

Mineral Incentive Program Update

A new **Mineral Incentive Program** was announced this year to replace the *Prospectors and Industry Assistance Program* that was in place from 1999-2004. The **Mineral Incentive Program** is very similar to the previous program and is composed of **Junior Exploration Assistance** and **Prospectors Assistance**. The old Dimension Stone Incentive Program (DSIP) that was part of *Prospectors and Industry Assistance Program* has been discontinued, however, individuals wishing to pursue "resource assessment" or "test block extraction" for dimension stone may apply for funding support under the Junior Exploration Assistance. As well, the "advanced prospecting grants" of up to \$10,000 has also been discontinued but applicants may still apply for funding of up to \$4000 to conduct traditional, grass-roots exploration. Under the Junior Exploration Assistance, the maximum grant amount remains at \$100,000 for projects on the Island and \$150,000 for projects in Labrador.

Other changes under the Junior Exploration Assistance include prioritization of applications based on the type of work being conducted as follows: 1) direct drilling; 2) ground geophysics and geochemistry with a drilling component; 3) ground geophysics and geochemistry with no drilling component; 4) airborne geophysical surveys.

The overall budget for the Mineral Incentive Program has been set at \$1.628 M, down approximately \$600,000 from the previous year. Currently, both the Prospectors Assistance and Junior Exploration Assistance budgets have been fully subscribed.

The Prospectors Training Course was completed again this year for the 13th consecutive year in a row with a total of 19 students registered for the course.



Junior Exploration Assistance (JEA) funded 20 projects in 2004

Company	Project	Commodity	JEA Commitment
Copper Hill Resources	Tim's Cove	Gold	\$17,884
Cornerstone Resources Inc.	Noel Paul's Brook	Base Metals	\$34,496
Candente Resources Corp.	Paul's Pond	Gold	\$56,073
Candor Ventures Corp.	Mary March	Base Metals	\$62,552
Rubicon Minerals Corp.	Golden Promise	Gold	\$68,970
Cornerstone Resources Inc.	Colchester	Gold, Base Metals	\$88,973
Rubicon Minerals Corp.	Golden Bullet	Gold	\$100,000
Rubicon Minerals Corp.	Star Track	Gold	\$100,000
Kermode Resources	Jackson's Arm	Gold	\$100,000
Rubicon Minerals Corp.	Avalon Trend	Gold	\$100,000
Candente Resources Corp.	Duder Lake	Gold	\$66,880
Cornerstone Resources Inc.	Green Bay	Gold, Base Metals	\$100,000
Candor Ventures Corp.	Mary March	Base Metals	\$14,135
Croshair Exploration & Mining	Wing's Point	Gold	\$59,568
Topsails LLC	Baie Verte	Base Metals	\$100,000
Aurogin Resources Ltd.	Baie Verte	Gold, Base Metals	\$65,599
Falcon Ventures Inc.	Salvage	Cu-Ag	\$33,581
New Island Resources	Pine Cove	Gold	\$55,367
Cornerstone Capital Resources Inc.	Cape Ray	Gold	\$100,000
Terra Nova Gold Corp.	South Quinn Lake	Gold	\$35,888

Spencer Vatcher, Brad Way

Matty Mitchell Prospectors Resource Room

- Assists in the education and professional development of prospectors.
- Sample identification, free sample assays, and a wide range of rock sample and literature.
- Spearheaded several industry government initiatives to help prospectors bring their properties to the attention of exploration companies.
- Planning to participate in the upcoming 2004 CIM Annual Technical Conference and Trade Show taking place in St. John's in November.
- Located on the first floor of the Natural Resources Building, 50 Elizabeth Ave., St. John's, NL. Telephone (709) 729-2120. E-mail: matty@zeppo.geosurv.gov.nf.ca.

Mike King

Mine Rehabilitation

Hope Brook Update

The Department of Natural Resources assumed the responsibility for overseeing the rehabilitation of the Hope Brook mine site in December 1999 due to the bankruptcy of Royal Oak Mines Inc.

Rehabilitation of the site began in 2002 and was completed in July 2004.



Plant Site Before Rehabilitation

Major tasks included:

- relocation of 1.1 million cubic metres of acid-generating materials to the Open Pit and Pine Pond with sufficient water cover to eliminate the generation of acidic water;
 - raising and stabilization of eight tailings dams to ensure that tailings and acid-generating materials remain under water cover;
 - demolition and removal of the crusher and mill complex;
 - construction of 2.4 km of fencing to secure the Open Pit and ground subsidence area;
 - capping the two vent raises and the service raise;
- removing the dock, bridges and culverts; and
 - cleaning of debris and general grading and contouring.

Water quality has improved dramatically, ensuring the protection of the three affected watersheds, including the Cinq Cerf River. Prior to rehabilitation, copper levels in water flowing from the site (before treatment) were in the order of 6.5 parts per million, but now are well below the legislative limit of 0.3 parts per million (a 95% reduction in copper levels). The project is now in the long-term monitoring phase.

This project has followed the requirements of the Mining Act, and its Regulations and Guidelines. The Department also worked closely with the Department of Environment and Conservation and, Environment Canada to ensure that the site was rehabilitated in an environmentally responsible manner.



Plant Site After Rehabilitation

Alex Smith

Little Bay Copper Mine (Springdale area)



Overview of Little Bay Mine Site

Atlantic Coast Copper (ACC) operated a copper mine at Little Bay from 1959 to 1969. When mining operations ceased, the mine was closed in accordance to the standards of the time. In response to safety and environmental concerns expressed to ACC by this Department, further rehabilitation work was started in 1998 with a goal of closing the site to current standards. This work was carried out from 1998 to 2002 and included: verifying that waste rock on site was not acid generating; capping and filling of various mine openings; fencing of a crown pillar failure; demolition of buildings left on site; removal and clean-up of petroleum storage tanks; and final grading of the site.

In addition, the erosion of the tailings in Shoal Arm caused by the washout of a retaining dyke was identified as a concern. ACC has submitted a design for diverting water around the tailings and stabilizing the tailings. The Department has accepted the design, and all the required permits have been received. A local contractor has commenced the estimated \$500,000 work.

Ned Vukomanovic

Upcoming Events

Mineral Exploration Roundup 2005

British Columbia & Yukon Chamber of Mines -

22nd Annual Roundup

January 24-27, 2005

Vancouver, British Columbia

"Discovering Our Future"

Tel: 604-689-4800

Fax: 604-682-5733

E-mail: roundup@chamberofmines.bc.ca

Website: www.bc-mining-house.com/roundupoverview.htm

ME/MO 2005

CIM's Maintenance Engineering/

Mine Operators Conference

February 20-24, 2005

Sudbury, Ontario

"Innovative Techniques in
Maintenance and Mining"

For more information,

e-mail lmccann@inco.com

Website: www.cim.org/mce/MEMO2005/

PDAC 2005

Prospectors and Developers Association
of Canada's Annual International
Convention, Trade Show and Investors
Exchange

March 6-9, 2005

Toronto, Ontario

Tel: 416-362-1969

Fax: 416-362-0101

E-mail: info@pdac.ca

Website: www.pdac.ca/pdac/cony/

Mining Rocks!

Canadian Institute of Mining, Metallurgy and Petroleum's
Annual Conference and Exhibition

April 24-27, 2005

Toronto, Ontario

For more information, contact: CIM National Office at
1-800-667-1246

Website: www.cim.org/mce/toronto2005/

North Atlantic Minerals Symposium (NAMS)

May 15-18, 2005

Halifax, Nova Scotia

The fourth NAMS conference, jointly sponsored by the geological surveys of Newfoundland and Labrador, and Ireland, will be held in conjunction with the annual meeting of the Geological Association of Canada and Mineralogical Association of Canada. The conference will involve a spectrum of sessions dealing with mineral exploration activities, including gold, base metals, nickel, industrial minerals and environmental issues associated with mining. A call for papers will be issued in November 2004. Preliminary information on the meeting is available at

<http://www.halifax2005.ca/>, and at

<http://www.gov.nf.ca/mines&en/geosurvey/conferences/nams.stm>

Photographs

Front cover (clockwise): Ten Mile Bay, TUC, Dept. of Natural Resources; Lower Cove, Atlantic Minerals Limited, company photo; Scully Mine, Wabush Mines, Dept. of Natural Resources; Voisey's Bay, Voisey's Bay Nickel Company, company photo; Demonstration Facility, Argentina, Voisey's Bay Nickel Company Limited, company photo; Inco Innovation Centre, MUN Photographic Services.

Back cover - top: Iron Ore Company of Canada, company photo; bottom: Rambler North Property, Altius Minerals Corp.

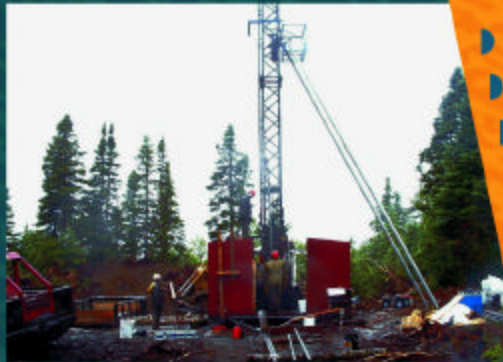
Honourable
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- ▶ About \$825 million in yearly mineral shipments
- ▶ Produces 63% of Canada's iron ore
- ▶ Voisey's Bay to produce 50,000 tonnes of nickel per year starting in 2006
- ▶ A developing dimension stone industry
- ▶ Grass-roots exploration attracts \$15 million per year



- ▶ Prospective mineral environments
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- ▶ Online mineral & geoscience information
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- ▶ Competitive mineral tenure system
- ▶ Strategic location

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