



Newfoundland and Labrador



MINFO Mineral Resources INFORMATION

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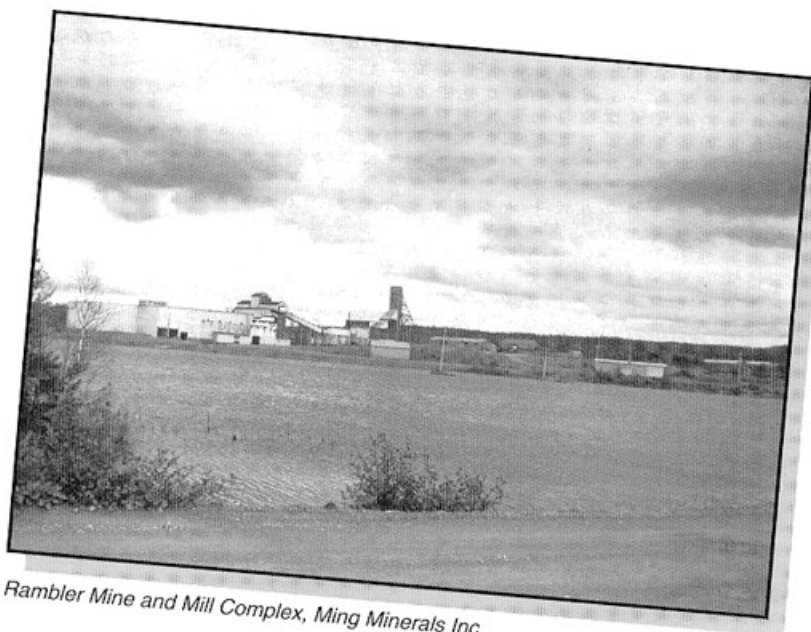
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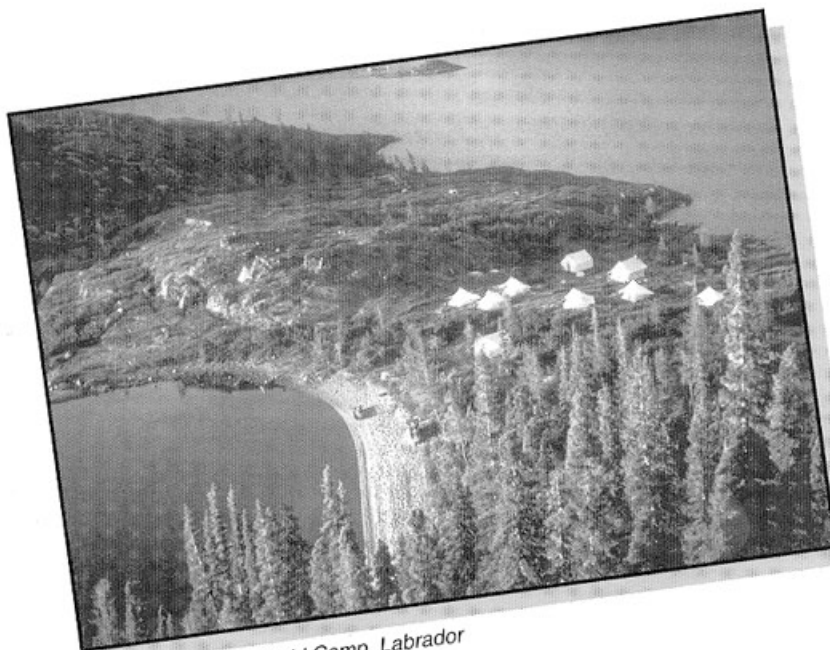
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GOVERNMENT OF
NEWFOUNDLAND
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Department of
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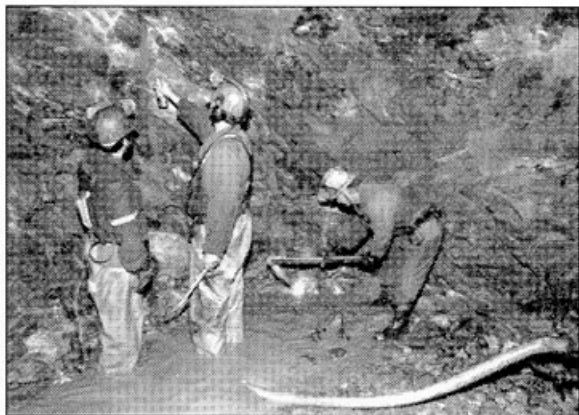
Mines Branch

Ming Minerals Inc. Begins Copper Shipments

Ming Minerals Inc. began shipping copper concentrate from the reactivated Ming mine on the Baie Verte Peninsula on December 27, 1995. A second shipment was made on January 26, 1996.

The company produces a copper concentrate that also contains significant gold and silver credits from ore running approximately 3.5% Cu, 0.05 oz/t Au and 0.75 oz/t Ag.

The first shipment of approximately 3000 tonnes was sent to Noranda's copper smelter in Murdochville, Quebec. The second shipment of approximately 5700 tonnes was sent to the Horne Smelter at Rouyn/Noranda, Quebec.



Mapping a decline face - Ming Minerals Inc.

The Ming mine had been closed since 1982 due to depleting reserves, low copper prices and high production costs. Ming Minerals was awarded the mineral rights to the former Rambler property in June of 1994. Since that time, Ming carried out an exploration program that has led to the reopening of the mine and mill facility in October of 1995. Ming Minerals Inc. has employed an average of 73 people since start-up.

Atlantic Minerals Limited Acquires Limestone Operation

On December 20, 1995 Newfoundland Cement Company Limited, through its wholly-owned subsidiary Atlantic Minerals Limited, acquired the limestone/dolomite operations at Lower Cove, Port au Port Peninsula. The former operator, Newfoundland Resources & Mining Company

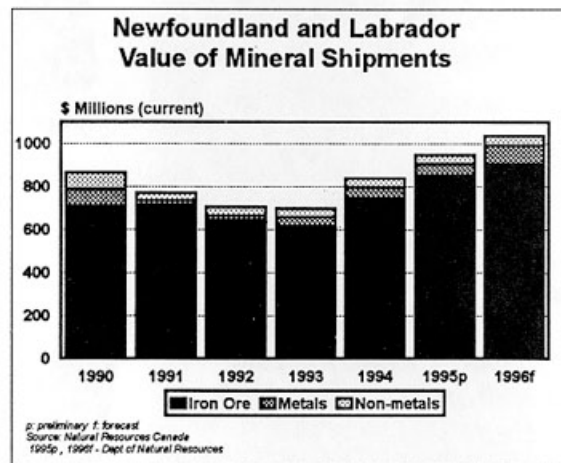
Limited closed the operation in August, 1995 because of bankruptcy.

The operations at Lower Cove consists of three quarries, a modern 1.5 million tonne-per-year processing plant, and deepwater shiploading facilities. Limestone aggregates are produced for use mainly in concrete and asphalt, and as a road-base material. The high-calcium limestone and high-purity dolomite have potential environmental applications and various uses in the iron and steel industries. The primary market has been for aggregates in the eastern seaboard of North America.

Atlantic Minerals plans to reactivate operations in the spring of 1996. Approximately 32 jobs will be created.

Mineral Shipments to Surpass \$1 - billion in 1996

The estimated value of Newfoundland and Labrador's mineral shipments was \$945 million in 1995. The Department of Natural Resources forecasts this value to increase by 9% to \$1.04 billion in 1996. This is the first time in 15 years that mineral shipments will surpass \$1 billion.



The main reasons for this upswing are the scheduled increase in production at the Iron Ore Company of Canada and Wabush Mines, the forecasted increase in prices for concentrate and pellets, and the start-up of Ming Minerals Inc. on the Baie Verte Peninsula.

The shipment value of industrial mineral shipments, which includes dolomite, peat, pyrophyllite and gypsum, will increase by 20% in 1996 and the

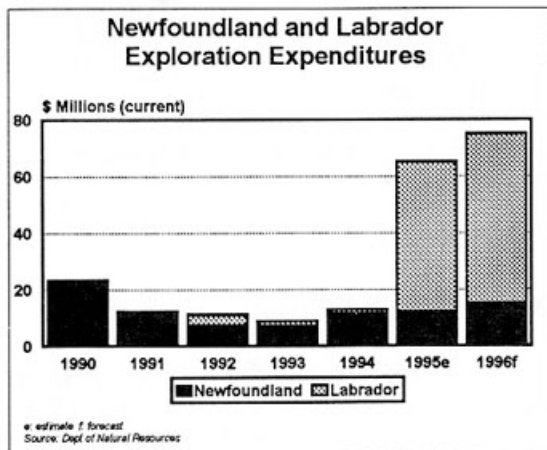
shipment value of structural materials such as sand and gravel, dimension stone, cement, limestone, aggregate stone and brick will increase by 6%.

Average employment in the mineral resource industry increased by 9% to 3350 in 1995, mainly because of the increase in exploration work in Labrador. The department is forecasting another increase in 1996 of 7% to approximately 3600 because of the opening of Ming Minerals, an anticipated further increase in exploration work in Labrador, and pending production decisions on new mining projects.

Exploration Expenditures to Increase Again in 1996

Exploration expenditures increased over 400% in 1995 to approximately \$65 million. The Department of Natural Resources is forecasting expenditures to increase to \$75 million in 1996 as exploration work continues at a relatively brisk pace in Labrador. The total number of claims staked in the province in 1995 was 248 707. The number of claims in good standing on December 31, 1995 was 280 750.

The sudden claim-staking rush and exploration boom is directly attributable to the world class nickel, copper, cobalt discovery at Voisey's Bay, Labrador.



Diamond Fields Resources continued exploration at Voisey's Bay at a brisk pace. Since the discovery of the nickel-copper-cobalt deposit was announced on November 3, 1994, three major mining companies have invested in the project. Tech Corporation purchased a 10.4% interest in Diamond Fields Resources on April 17, 1995 (Diamond Fields had owned 100% of Voisey's Bay Nickel Company Ltd.). Inco purchased 25% of Voisey's Bay Nickel

Company Ltd. and approximately 7% of Diamond Fields Resources on June 28, 1995. Then on February 9, 1996, Diamond Fields Resources' Board of Directors accepted a merger proposal from Falconbridge for both companies to combine under Falconbridge.

As of January 8, 1996 total reserves are projected to be in the 100 million tonne range. The increase in reserves from the 31 million tonnes outlined in the main deposit is a result of a new adjacent discovery named "the eastern deeps".

Teck Corporation has been engaged as the contractor for the mine/mill feasibility study to be completed by June 30, 1996. The study will cover mining and concentrate production, with attendant infrastructure. Conceptual design parameters relating to flowsheet, concentrator, product shipping and tailings disposal will be set by Diamond Fields in consultation with Teck and Inco.

Diamond Fields and Inco will continue studies related to the further processing of the concentrate using either pyrometallurgical or hydrometallurgical technology.

Once environmental approvals are received, construction of the permanent exploration camp, airstrip and 10 km access road will begin.

On the island portion of the province, **Raymo Processing Limited** and its new partner, **Electra Mining Consolidated Ltd.** have started construction of a vat-leaching process to extract gold from the tailings of the former Rambler Mine. The company expects to complete construction this fall and be ready for start-up in the spring of 1997. Proven mineral inventory of the tailings is 1 165 000 tonnes grading 1.695 grams of gold per tonne for a total of 1 974 675 contained grams.

Major General Resources Ltd. increased reserve estimates at their Rendell-Jackman property by combining the Rumbullion and the Hammer Down Zones. The Hammer Down's geological reserve is 385 600 tonnes at 16.5 grams of gold per tonne, and the Rumbullion has reserves of 122 500 tonnes at 24.6 grams of gold per tonne. The 2000 tonne bulk sample to confirm tonnage and grade prior to committing to bring the mine into production will commence once financial arrangements are complete, likely in 1996. Diamond drilling programs are currently in progress.

Richmont Mines Inc. completed a 2000 tonne bulk sampling program on the Nugget Pond project in October and mine design and feasibility work will be completed over the winter. If a production decision is made, the mill construction could start by April, 1996 with full production later in the year. Reserves at the property are 394 375 tonnes averaging 12.22 grams of gold per tonne.

Roycefield Resources Limited continues drilling on their Beaver Brook antimony deposit southwest of Gander. An underground bulk sampling program has been completed to confirm the drill indicated reserves. Total reserves currently stand at 1.2 million tonnes grading 4.68% antimony.

Newfoundland Slate Inc. plans to open their second slate operation in 1996. The company will develop a quarry near Long Harbour, Placentia Bay and build a production facility in the Long Harbour area.

Power Slate Inc. is also developing a slate quarry at Keels, Bonavista Bay. A production facility is near completion and the training of a workforce will begin this fall and finish in the summer of 1996.

Burin Minerals Ltd. has completed feasibility studies on reopening the fluorspar mines and mill at St. Lawrence. Studies indicate that the project is viable and the company will proceed with efforts to arrange project financing. Burin Minerals is planning a seven-day a week mining program with a five day milling operation year round. Studies indicate that an 11-month pre-production development at Blue Beach North mine could delay the start of full production until early in 1997.

The Eastern Deeps

The most significant recent discovery at the Voisey's Bay site is the 'Eastern Deeps'. While the parameters of the Eastern Deeps have yet to be fully defined, it is obviously a discovery of tremendous magnitude that will increase the life span of the project and the mine exponentially. Albert Chislett, President of Archean Resources says, "The Eastern Deeps was discovered because of an aggressive exploration strategy used by our company. Our management team learned as much as possible about the origin and geology of the initial ovoid and used that information, as well as theories on the precipitation of sulphides and the role of gravity in

sulphide formation, to form geological models to indicate the most likely locations for other deposit formations. In addition, we did step-out drilling every 400 metres and deliberately drilled very deep holes to get a sense of the patterns of mineralization. That may seem straightforward enough but is actually not a common industry practice. Based on our knowledge of the origin of the ovoid deposit, we felt very strongly that the area had great potential for economic mineralization. We then set out to drill a number of deep step-out holes and eventually encountered another heavily mineralized zone."

"The potential for even further finds at Voisey's Bay is enormous! The discovery of the second deposit, the Eastern Deeps, actually increases the likelihood that there are other deposits. We have said from day one of the initial discovery that we were very confident that there were several other deposits in the area. Deposits like Voisey's Bay tend to occur in clusters, and the Eastern Deeps supports our belief that there will be other economic deposits of similar size and grade. We have already found several prospects of interest that we hope to do follow-up work on in the next few months."

Once exploration and drilling are complete Archean Resources Ltd. plans to move into other aggressive exploration programs in Newfoundland and Labrador. Chislett explains, "We are convinced that there are other mineral deposits to be found in this province and are planning to devote considerable resources to discovering them."

Source: Newfoundland and Labrador Mining Magazine, Vol. 2, No. 1

National Mining Week

Anne McLellan, Minister of Natural Resources Canada, has announced that the Governor General has proclaimed the second week of May as National Mining Week. In 1996, Mining Week will be held May 13-19.

Provincial Mining Week, which used to be held annually in early November in conjunction with the Open House of the CIM, will now be held in conjunction with National Mining Week in May.

Mining is an essential component of Canada's and Newfoundland and Labrador's economy. National

Mining Week will focus the attention of all Canadians on the importance of this technologically advanced industry.

Call For Proposals Made

In January, 1996 the Government of Newfoundland and Labrador, through the Minister of Natural Resources, invited proposals to explore and develop the gypsum potential in the Fischells Brook area, 30 kilometres south of the Port au Port Peninsula, western Newfoundland.

The rights to the Fischells Brook deposit is held in approximately 725 hectares under Exempt Mineral Land. The deposit is generally flat-lying and is near surface, making it suitable for open-pit mining. Drill-indicated reserves are in excess of 17 million tonnes of 93% gypsum.

The deadline for receipt of proposals is April 30, 1996. Additional information can be obtained by contacting Ferd Morrissey, Department of Natural Resources at (709) 729-6449.

Exploration Potential of the Buchans - Robert's Arm Belt

The Buchans-Robert's Arm Belt has a long and productive mining history with past-producing mines located at Buchans, Gull Pond, Crescent Lake and Pilley's Island. The belt is highly prospective for both polymetallic base metal and gold mineralization and this is reflected by the current high level of mineral exploration.

To aid mineral exploration companies the Geological Survey of the Department of Natural Resources initiated a comprehensive multi-disciplinary project consisting of: 1) compilation and synthesis of archived data (topographical, geological, geochemical, geophysical and mineral occurrences), and 2) field projects that focused on regional 1:50 000 scale bedrock and surficial geological mapping and till geochemistry, and metallogenic studies.

The field studies have produced significant revisions to our understanding of the bedrock geology, mineral deposits and glacial history of the Robert's Arm Group. Geological mapping has resulted in a revised stratigraphic and structural interpretation of the area.

For example, the present distribution of geological units within the group is now interpreted to be in part controlled by a series of south to southeast-dipping, north-directed thrust faults. Understanding the significance and distribution of these faults is crucial for mineral exploration.

Metallogenic studies have demonstrated that the Robert's Arm Group is host to both volcanogenic massive sulphide mineralization (i.e. deposits of copper-lead-zinc formed at about the same time as the volcanic rocks which host them), and quartz-vein hosted mineralization (i.e. copper, lead, zinc, silver and locally gold in quartz veins that formed later than the volcanic rocks) that is related to faults.

The volcanic rocks exposed in the Pilley's Island area appear to have the highest potential for new volcanogenic massive sulphide discoveries. A new structural model for the Pilley's Island area developed by exploration company geologists has resulted in the discovery of three new "blind" (i.e. not exposed at surface) massive sulphide deposits. Current exploration is focusing on the discovery of other "blind" orebodies, within structurally repeated thrust slices both within and outside of the Pilley's Island area. Based on regional mapping, rocks similar to those hosting the Pilley's island deposits may be present in the near surface at a number of localities throughout the Robert's Arm Group.

The quartz-vein hosted mineralization is extensive and consists mainly of copper-, lead- and zinc-rich veins. It includes the old Crescent Lake copper mine, and nearby significant gold-rich veins. However, because exploration has traditionally focused on volcanogenic massive sulphide mineralization, the gold potential of the Robert's Arm Group has been largely overlooked.

Prospecting using till geochemistry can be a highly useful exploration tool. However, the successful application of this technique depends upon understanding the glacial history of the area being explored. Detailed surficial geological mapping within inland areas of the Robert's Arm Group indicates that it has a relatively simple ice flow history with abundant glacial till preserved. These tills are regionally enhanced in copper, lead, zinc, and locally in antimony, barium and gold. Many of these anomalous areas can be linked to known mineral occurrences; however, a number cannot be explained by known mineralization and require follow up. Surficial mapping results also indicate that tills in low

lying coastal areas (below 58 to 75 m above sea level) are glaciomarine rather than glacial in origin and therefore they are of little use in till prospecting.

The results of this multi-disciplinary project will be presented as a digital geoscience atlas which will be made available in compact disc format. The atlas is currently being designed using the PC-based ArcView™ desk-top mapping system. The compilation and synthesis of all available archived data together with the results of recent field studies into a single comprehensive regional geoscience database will provide exploration personnel with a powerful tool for exploring the Buchans - Robert's Arm Belt.

Companies active in the Buchans - Robert's Arm Belt include Noranda Mining and Exploration Inc. on their AND Charter Lands and adjacent claims; Newfoundland Mining & Exploration Ltd., CBM Resources Inc., Thunderwood Resources Inc., GT Explorations, Phelps Dodge Corporation of Canada Ltd., Archean Resources Ltd., Inco Ltd. and recent staking by BHP Minerals in the Buchans area; Rio Algom Exploration Inc., Noranda Mining and Exploration Inc. and recent staking by Celtic Minerals Ltd. in the Lake Bond area; and in the Robert's Arm - Pilley's Island area active are Grubstake Management (Nfld) Ltd. and Phelps Dodge Corporation of Canada Ltd.

One Billion Tonnes ... and Counting.

On January 13, 1996, the Iron Ore Company of Canada (IOCC) celebrated the occasion of the one billionth tonne of crude ore moved at IOCC's Carol Project. IOCC President and Chief Operating Officer Derek Rance said the company decided to celebrate the milestone because few companies have ever managed to reach such a figure.

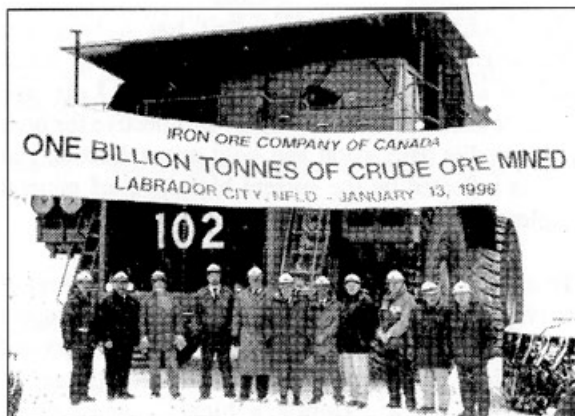
"The reason for the celebration is that very few mines have reached a milestone like this and, quite frankly, very few mines will ever reach a milestone like this. Most mines tend to die, not because they don't have ore in the ground, but simply because they haven't been able to keep up with technology to extract the ore economically and get it to world markets. More importantly at IOCC, we as a company have already managed to keep ourselves in the forefront of technology, we've made the changes when necessary and we have maintained ourselves as a viable company over 35 years and we are looking

forward to the next 35 years," he said.

The milestone was celebrated with a symbolic blast at the mine, which was set off by Stan Baker, the senior blaster at the IOCC mining operation. The 200 tonne truck which brought out the first tonnes of the second billion was driven by Calvin Faulkner, another senior employee at the mine.

Following the blast, a reception was held at the Scout Lodge in Labrador City where 300 people, representing a cross-section of IOCC employees, the community of Labrador city and other invited guests, took part in a giant cake cutting ceremony.

During a banquet held later in the day, Rance credited the employees past and present for making the company as successful as it is. Other speakers at the banquet included the president of Steelworkers Local 5795, George Kean; Senator Bill Rompkey, who congratulated the company, as well as bringing greetings from the federal Natural Resources Minister Anne McClullen; the Assistant Deputy Minister, Mines Branch, the provincial Department of Natural Resources, Paul Dean, who brought greetings and congratulations from Minister, Dr. Rex Gibbons; Menihek MHA, Alec Snow; and Labrador City Mayor Darrel Brenton, who brought congratulations from the residents of Labrador West.



Prospectors of the Year Named

Approximately two years ago, Albert Chislett and Chris Verbiski, prospectors from Newfoundland and Labrador, spotted a interesting looking rust colored outcrop covering the side of a hill. As a consequence Albert Chislett and Chris Verbiski were named the 1995 Prospectors of the Year by the Prospectors and Developers Association of Canada for their discovery of the world famous Voisey's Bay deposit in

Labrador. The presentation will be made at the Presentation of Awards dinner as part of the Prospectors and Developers Association of Canada 1996 Annual Convention and Trade Show, held at the Royal York Hotel in Toronto, March 11, 1996.

Upcoming Events

Prospectors and Developers Association of Canada 1996 Annual Convention and Trade Show

March 10-13, 1996
Toronto, Ontario

The 64th annual conventions and trade show is a leading event in international mineral exploration and development. For more information contact:

Congress Canada
Tel: (416) 504-4500
Fax: (416) 504-4505

Investing in the Americas '96

April 22-25, 1996
Miami, Florida

The premier conference on mining investment in Latin America. For more information, please contact:

International Investment Conferences, Inc.
Tel: 1-800-282-7469
Fax: (305) 670-0971

Annual General Meeting of CIM and CIM Tradex.

April 28-May 2, 1996
Edmonton, Alberta

For the 98th annual general meeting, the theme is "Resources - Our Foundation and Our Future" For more information please contact:

Chantal Murphy
Tel: (514) 939-2710 ext. 304
Fax: (514) 939-2714

32nd Forum on the Geology of Industrial Minerals

May 19-25, 1996
Laramie, Wyoming

The Forum on the Geology of Industrial Minerals is an annual event hosted by state or provincial geological surveys or their equivalent. For more information please phone or fax:

Tel: 1-800-448-7801 ext. 2
Fax: (307) 766-3914

GAC/MAC Annual Meeting

May 27-29, 1996
University of Manitoba
Winnipeg, Manitoba

This is the premier geoscientific meeting in Canada with a strong international representation. For further information, contact the Geological Association of Canada.

Tel: (709) 737-7660
Fax: (709) 737-2532

Baie Verte and Area Chamber of Commerce Mining Conference

June 21-23, 1996
Baie Verte, NF

This is an annual review of developments in the local exploration and mining scene. For more information contact:

Pat Jim
Tel: (709) 532-4279
Fax: (709) 532-4065

Happy Valley-Goose Bay Mining Conference and Trade Exhibit

June 25-27, 1996
Happy Valley-Goose Bay, Labrador

Mineral Development in Labrador: Voisey's Bay and Beyond. For further information please contact:

Larry Pittman
Tel: (709) 896-3321
Fax: (709) 896-9454

Proterozoic Evolution in the North Atlantic Realm Conference.

July 29-August 2, 1996
Goose Bay, Labrador

The meeting is aimed at enhancing understanding of Proterozoic evolution in the North America realm. For more information contact:

Charlie Gower
Tel: (709) 729-2118
Fax: (709) 729-3493

The Geological Society of CIM - 6th Annual Field Conference

September 9-11, 1996
Gander, NF

This is a field conference, jointly sponsored by the Newfoundland Branch of CIM and the Geological Society of CIM. The conference will comprise two days of technical sessions and poster displays on September 10th and 11th, along with short courses and pre and post-conference field trips. A core shack will feature drill core from a number of new discoveries. For more information please contact:

David Evans
Tel: (709) 729-5975
Fax: (709) 729-3493

NEWFOUNDLAND AND LABRADOR

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