



**Department of Natural Resources**

**Request for Proposals  
On  
Exempt Mineral Land**

**Former Consolidated Rambler Mine Tailings  
Baie Verte Peninsula  
Newfoundland and Labrador, Canada**

**June 10, 2016**

**Government of Newfoundland and Labrador  
Department of Natural Resources  
PO Box 8700  
St. John's, NL A1B 4J6**

## Summary of Key Information

1. **Date of issue:** June 10, 2016
2. **Closing Date for** August 5, 2016 at 3:00 pm NST
3. **Submissions:**
4. Any inquiries must be directed to the Department Representative:

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Geologist, Mineral Development Division  
Department of Natural Resources  
3<sup>rd</sup> Floor, Natural Resources Building  
50 Elizabeth Avenue  
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Fax: (709) 729-3493  
e-mail: [bradway@gov.nl.ca](mailto:bradway@gov.nl.ca)

5. Proposals must be submitted to:

Minister of Natural Resources  
c/o Alex Smith  
Director, Mineral Development Division  
Department of Natural Resources  
3<sup>rd</sup> Floor, Natural Resources Building  
50 Elizabeth Avenue  
St. John's, NL A1A 1W5

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## 1.0 INTRODUCTION

An Exempt Mineral Land (EML) enclosing 25.885 hectares, encompassing a portion of the former Consolidated Rambler Mine tailings impoundment area was designated as EML under the *Mineral Act* on April 21, 1999. The boundary description for the EML is appended.

The Government of Newfoundland and Labrador through the Minister of Natural Resources invites proposals for the mineral development of all or part of the EML. **The deadline for receipt of proposals is August 5, 2016.** The successful proponent will be granted exclusive mineral rights under the *Mineral Act* either as an Extended Map Staked Licence or a Mining Lease, as appropriate. The proponent's project commitments will be incorporated as terms and conditions of the licence or lease.

### 1.1 Location and Access

The Consolidated Rambler Tailings EML is located 1.5 kilometres south of Route 414 near the intersection with the Mings Bight road (Route 418), and approximately 12 kilometres east of the town of Baie Verte. (Figure 1)

All proponents and the general public are advised that access to the former Consolidated Rambler mine site is restricted; there may be potential safety hazards at this site. All proponents are advised to contact Alex Smith (709-729-6379), Director of the Mineral Development Division, to gain access to the site.

### 1.2 Land Use

The EML is located within the tailings impoundment area for a former mine site. The site is considered an orphaned/abandoned mine and has undergone limited rehabilitation.

### 1.3 History of Development

Sulphide mineralization was first discovered in the area by Enos England in 1903 along the banks of Rambler Brook (Hibbard, 1983). The property was optioned in 1904 and a 20 metre shaft was sunk. Although mineralization was intersected, the grade was considered too low and the project abandoned.

In 1936 the Rambler vein was discovered approximately 200 metres north of the England vein. However as with the previous prospect, further development did not occur. From the late 1930's to the early 1950's the Rambler property was explored by a number of companies and by the Geological Survey of Newfoundland.

In 1960 the Newfoundland Government expropriated the property and leased it to M. J. Boylen Engineering Limited who formed Consolidated Rambler Mines Ltd. Mine development began in 1961 on the Rambler vein and production started in 1964.

In 1965 diamond drilling of a sulphide occurrence 1.5 kilometres east of the Main Mine led to the development of the East Mine which was brought into production in 1967; the same year the Main Mine was shut down. Further exploration south west of the Main Mine led to the discovery and

development of a small deposit called Big Rambler Pond, which was mined in 1968 and 1969. The Ming Deposit was discovered in 1970 as a result of airborne geophysical surveys and production began in 1971. Ming operated until 1982 when low metal prices and depletion of reserves (mined to the boundary of their Mining Lease) forced the company to permanently shut down all operations.

The concentrator on the former Consolidated Rambler property, processed ore from four mines (Main Mine, East Mine, Big Rambler Pond and Ming Main) from 1964 to 1982 and again briefly in 1995 to 1996.

4.3 million tonnes of ore was mined and milled from the four deposits; 3.8 million tonnes of acid generating sulphide tailings, with average grade 1 g/t Au, remain on the site. In 1997, Raymo Processing Limited made an unsuccessful attempt at extracting gold from the tailings using a vat-leaching process.

The mill and crusher buildings have been demolished and the mine shafts and vent raises are capped with engineered concrete slabs. This work was done by NR from 2006 to 2011.

Table 1: Consolidated Rambler Mines Ltd – Yearly Production Report

MINE	Year	ORE MILLED (TONNES)	COPPER GRADE (%)	COPPER RECOVERY (%)	CONCENTRATES (TONNES)	COPPER RECOVERED (NET KGS.)	GOLD RECOVERED (NET OUNCES)	SILVER RECOVERED ( NET OUNCES)
Main	1964	32,659	1.26	90.6	N/A	372,822	2,789	18,263
Main	1965	124,285	1.48	96.8	N/A	1,736,689	14,996	95,237
Main	1966	134,934	1.36	96.3	N/A	1,849,964	16,346	103,962
Main	1967	85,614	0.95	95.8	N/A	843,702	13,282	56,053
EAST	1966	30,898	0.94	95.8	N/A	262,622	137	822
EAST	1967	214,922	1.26	97.1	9703	2,614,799	865	6,459
EAST	1968	328,273	1.3	97.7	15278	4,249,042	676	-
EAST	1969	366,673	0.99	96.4	12299	3,410,579	554	-
EAST	1970	379618*	0.79	97.3	10367	2,903,431	579	-
EAST	1971	389507**	1.12	97.2	16670	4,124,526	3,013	22,118
EAST	1972	185,477	0.98	97.8	8547	1,809,645	284	-
EAST	1973	74,060	0.92	87.9	2556	576,625	-	-
EAST	1974	29,339	1.38	96.7	1631	375,143	-	-
MING	1972	164,886	2.79	97.8	18722	4,207,011	10,566	83,053
MING	1973	190,852	3.05	87.9	20744	4,877,321	9,158	73,250
MING	1974	166,200	3.16	96.7	21165	4,859,179	9,047	76,233
MING	1975	203,723	3.2	98.4	26936	6,146,139	10,463	93,646
MING+EXT.	1976	187,287	3.68	94.42	28264	6,228,133	10,828	95,700
MING+EXT.	1977	218,201	4.25	89.47	34555	7,933,480	11,859	97,239
MING+EXT.	1978	247,878	4.7	93.29	41209	10,448,957	15,393	123,035
MING+EXT.	1979	196,921	3.9	95.39	28786	7,032,180	10,507	82,674
MING+EXT.	1980	164,284	3.51	95.96	22185	5,303,188	7,497	61,261
MING+EXT.	1981	143,247	3.82	95.66	20851	5,030,587	6,244	49,970
MING+EXT.	1982	54,235	3.84	96.11	8490	1,987,037	2,332	18,396
<b>GRAND TOTALS</b>		<b>4,313,973</b>			<b>348,958</b>	<b>89,178,750</b>	<b>157,415</b>	<b>1,157,461</b>
	*	Includes 7167 tonnes from Big-Rambler Pond Mine						
	**	Includes 37051 tonnes from Ming Main Mine						

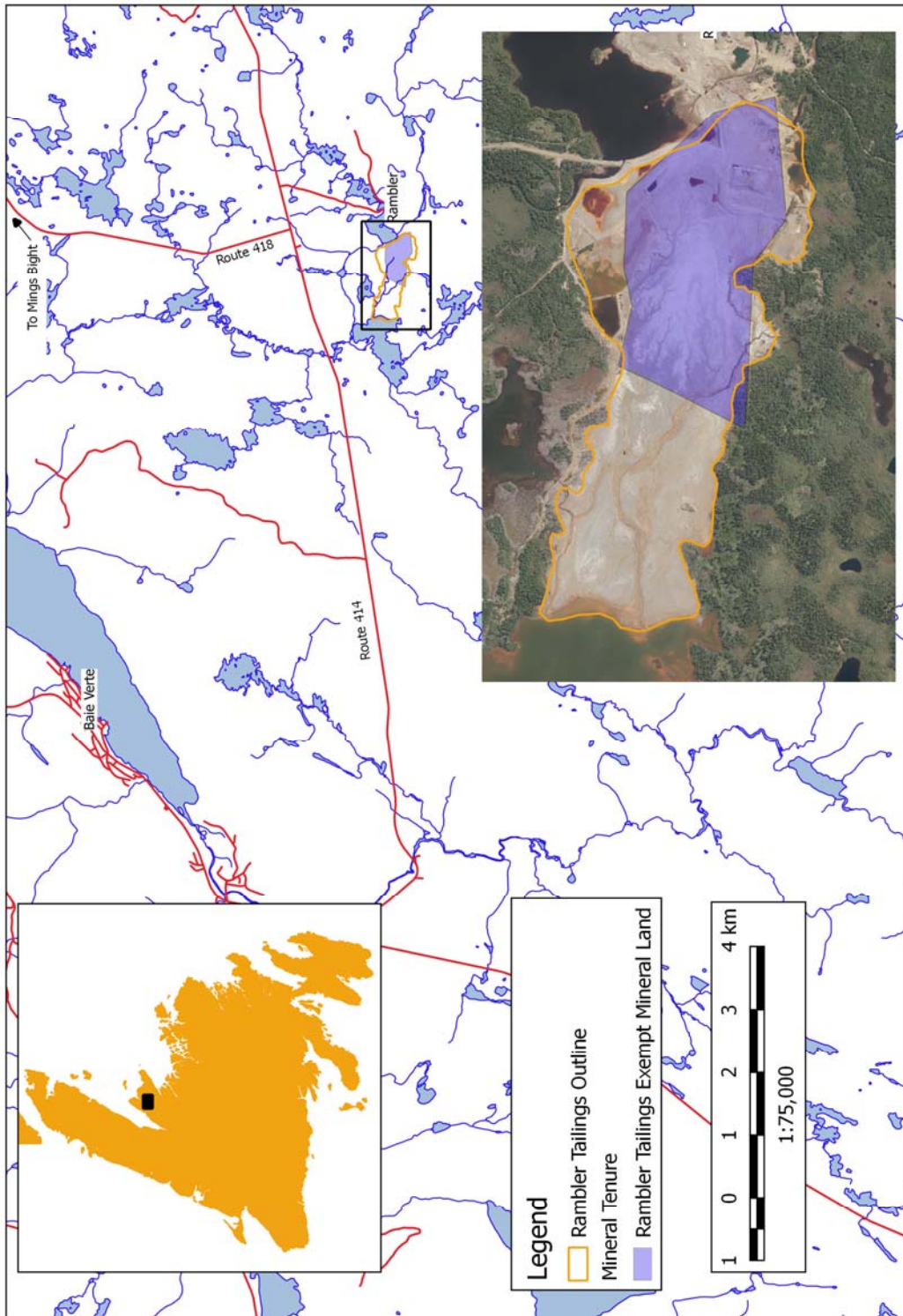


Figure 1: Consolidated Rambler Tailings location and Aerial Photograph of the EML.

## 2.0 GEOLOGY AND RESOURCES

### 2.1 Geology of the Consolidated Rambler area (modified *after* Hibbard, 1983)

The Baie Verte Peninsula, Newfoundland, is at the extreme north end of the Appalachian Orogen. The peninsula is divided into two lithostratigraphic terranes by a steeply dipping, north-northeast trending structure known as the Baie Verte Line. The Fleur de Lys Belt of the Humber Zone (Williams, 1978) lies to the west of the Baie Verte Line, and to the east are lower Paleozoic ophiolite suites, volcanic cover sequences, and numerous intrusions that make up the Baie Verte Belt of the Dunnage Zone.

The Fleur de Lys Belt is considered the eastern margin of the late Hadrynian to early Paleozoic North American continent. It has three major stratigraphic elements; an assemblage of schists and gneisses known as the East Pond Metamorphic Suite, a dominantly metaclastic cover sequence called the Fleur de Lys Supergroup and lastly, post-kinematic intrusive bodies.

The Baie Verte Belt represents the westernmost vestiges of the early Paleozoic Iapetus Ocean. The Belt is composed of three primary stratigraphic elements; ophiolitic basement, volcanic cover sequences and post-kinematic intrusions. Four geographically distinct, though incomplete, ophiolitic units have been identified: the Pacquet Harbour Group, the Betts Cove Ophiolite, the Point Rouse Complex and the Advocate Complex. The volcanic cover sequences are divided into two broad categories that are separated by an unconformity. The lower (probably Early Ordovician) division is chiefly mafic submarine volcanic rocks and directly overlies the ophiolitic rocks. The Siluro-Devonian upper division is characterized by subaerial felsic volcanic rocks. The intrusive rocks are Early Ordovician granitic to granodioritic or Siluro-Devonian plutons of variable composition.

The immediate Consolidated Rambler area is underlain by polydeformed pre-Middle Ordovician mafic to felsic volcanic and volcanoclastic rocks of the Pacquet Harbour Group which have been intruded by numerous mafic dykes and sills. The rocks of the Pacquet Harbour Group have been metamorphosed to upper greenschist / lower amphibolite facies (Figure 2).

The metavolcanic sequence in the Consolidated Rambler area is generally east-striking and dips moderately to the north. Tuach (1976) subdivided the Pacquet Harbour Group in this area into five complexly intermingled lithofacies units. These units, from south to north, are described briefly as;

- i. mafic flows; pillow lavas and lesser massive flows and mafic pyroclastic rocks;
- ii. mafic volcanic and volcanoclastic rocks; mainly agglomerates and breccias with subordinate pillow lavas, tuffs and volcanogenic sedimentary rocks; also contains minor felsic intrusions, chert, silicified rocks and quartz sericite schist;
- iii. mixed felsic and mafic rocks; varying proportions of silicic volcanoclastic and mafic volcanoclastic and pillowed rocks; contains minor silicified rocks and quartz sericite schist;
- iv. felsic volcanoclastic rocks; coarse dacitic fragmental rocks with lesser lapilli tuff
- v. mafic sedimentary rocks; laminated volcanogenic sedimentary rocks, reworked crystal tuff, minor pillowed flows and grey chert.

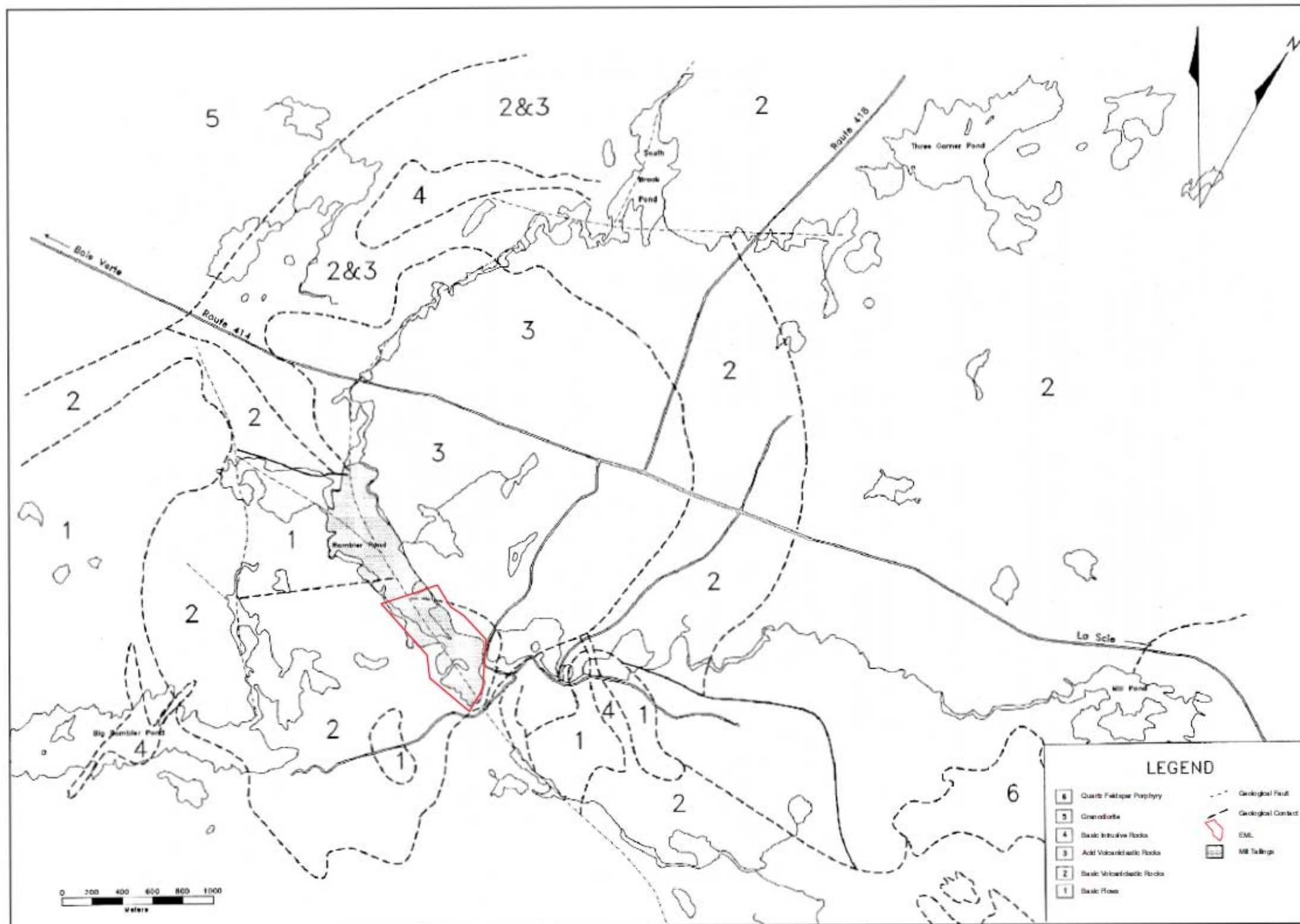


Figure 2: Geology of the former Consolidated Rambler area (modified after Tuach and Kennedy, 1978).



## 2.2 Resource estimate of the Consolidated Rambler Tailings EML

During the 1987 field season, as part of the Canada Newfoundland Mineral Development Agreement, the Department carried out a thorough sampling program over the 3.8 million tonnes of tailings at the former Consolidated Rambler Mine.

A total of 1006 samples over a controlled grid were collected and analyzed with gold being the main element of interest. The grid was setup in a 25 to 50 metre line spacing and 25 metre sample interval. Samples were collected, up to a 5 metre depth, and each 1 metre sample contained 5 kilograms of wet tailings.

The results were used to plot a Au grade-driven contour map of the tailings area (Figure 3). The contour maps show an overall average grade of 1.03 g/t Au, including a higher grade area of 1.5 million tonnes with 1.5 g/t Au (Collins & Legrow, 1988).

407 samples from three areas with elevated gold content were further analyzed for copper and zinc (Figures 4 & 5). The average grade of these samples was : Cu – 0.3%, Zn – 0.37% (Collins & Legrow, 1988).

The location of the EML closely approximates the area of higher grade tailings. The mineral rights to the tailings outside the EML are held by a third party. The resource estimate is a non-compliant historical resource and does not conform to the current 43-101 standards.

Zone	tonnes	Au (oz/t)	Au (g/t)
A	881,468	0.066	2.06
B	618,532	0.0272	0.85
A+B	1,500,000	0.05	1.56
Total Tailings*	3,787,700	0.033	1.03

\* includes tailings outside the EML

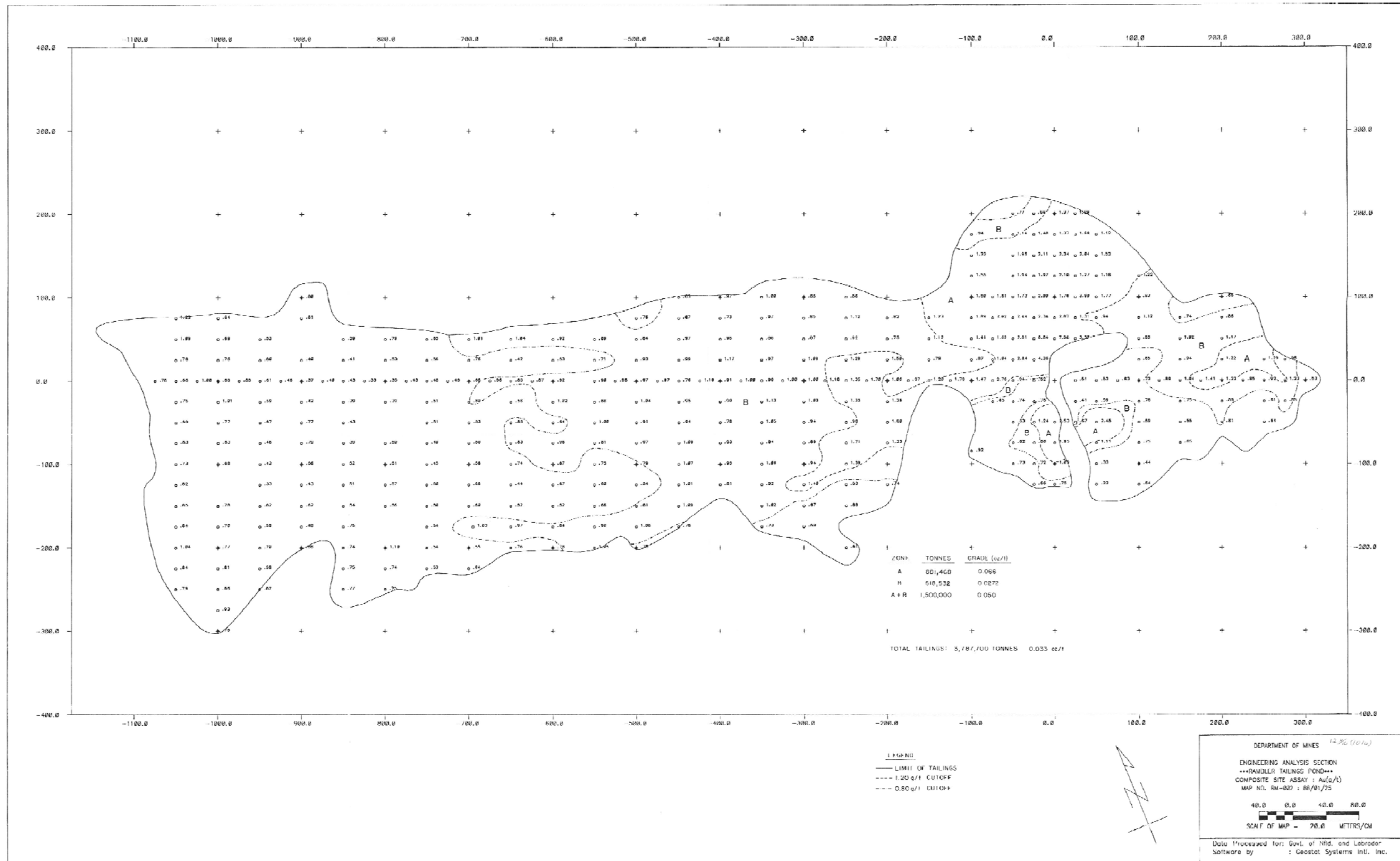


Figure 3: Consolidated Ramblers tailings pond sampling sites and Au assay results (Collins & Legrow, 1988)

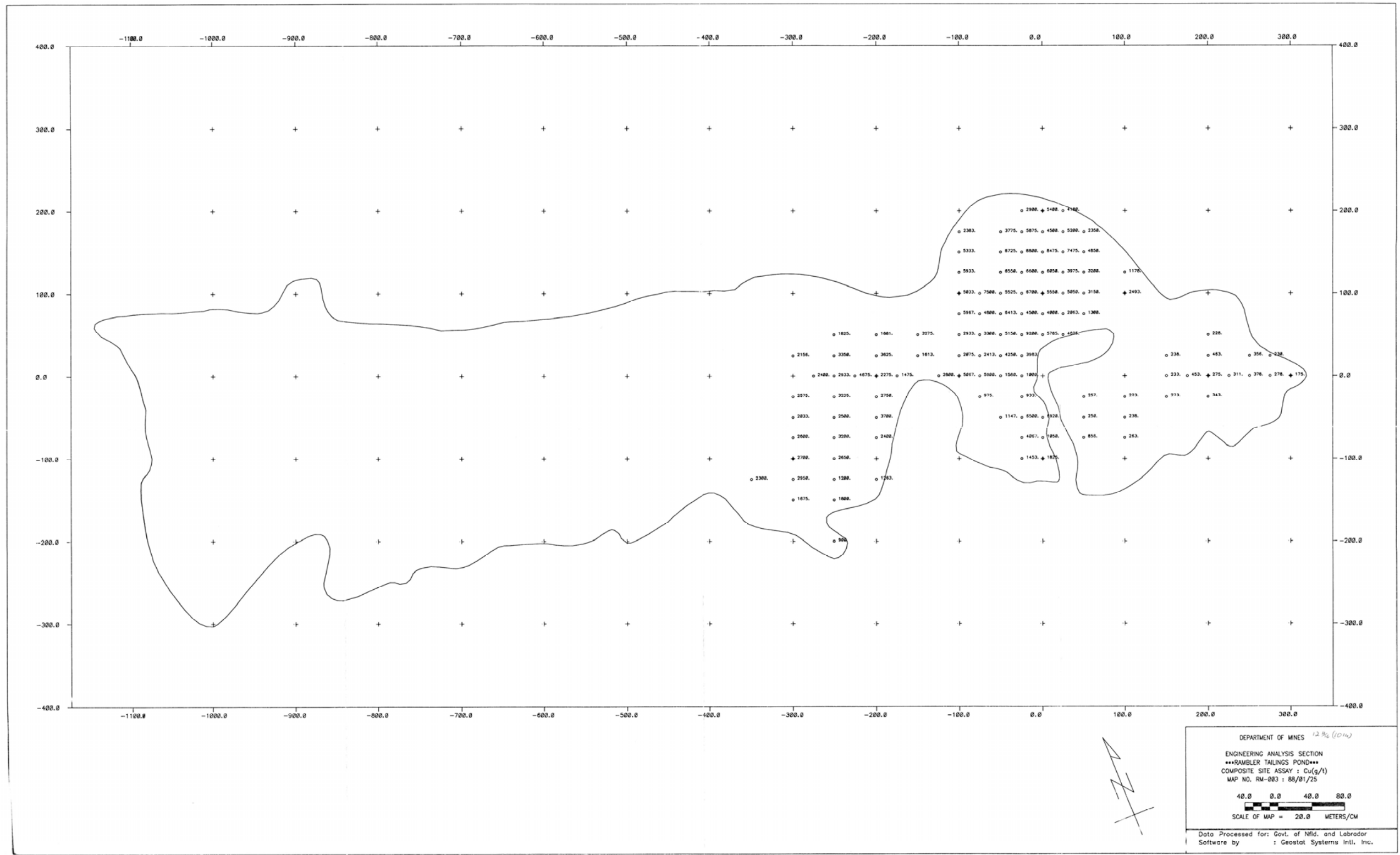


Figure 4: Consolidated Ramblers tailings pond sampling sites and Cu assay results (Collins & Legrow, 1988)

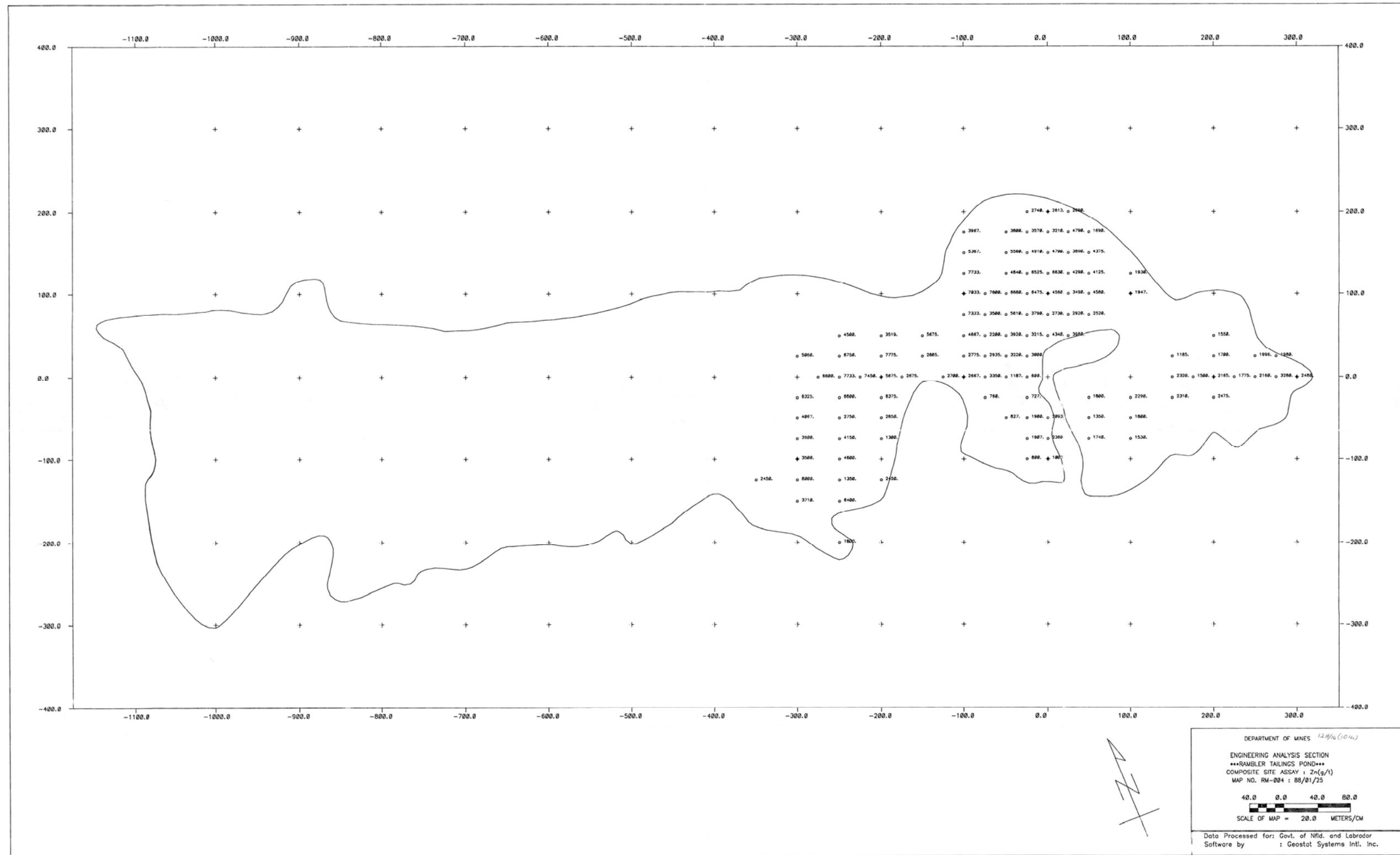


Figure 5: Consolidated Ramblers tailings pond sampling sites and Zn assay results (Collins & Legrow, 1988)

### **3.0 DEPARTMENT PRACTICES REGARDING BROWNFIELD LIABILITIES**

The EML consists of acid generating tailings at an orphaned and abandoned mine that could represent a significant environmental liability. This section defines who would be responsible for liabilities associated with a brownfield site during the different stages of exploration and development.

The initial company obtaining a mineral license does not assume any liability associated with former operations or exploration activities at the site. Any exploration activities of this company that worsens the current environmental or safety issues at the site, will result in the company being liable for those issues.

Any company, that acquires a mineral license from the initial company through negotiation or agreement, does not assume liability associated with former operations and exploration activities at the site. However, the company acquiring the licence shall be liable for the exploration activities performed by the initial company having the license. Should the exploration activities of the company acquiring the licence worsen the environmental or safety issues at the site, it will be liable for those issues.

Prior to operating a mine at a brown field site, a company must obtain both mining and surface leases as required by the *Mineral Act*. The surface lease must cover the entire area to be disturbed during mine operations. Should development begin, the lessee takes on all liabilities associated with the surface lease area. In addition, should the production activities negatively impact environmental or safety issues outside the surface lease area, the lessee takes on the liability associated with those issues.

### **4.0 TERMS OF REFERENCE**

The Government of Newfoundland and Labrador invites proposals for evaluation and development of the Exempt Mineral Land described herein. Experienced and financially competent individuals or companies may submit a proposal to the Minister of the Department of Natural Resources.

The Proposal must address the following:

- List of all principals involved, including the company's corporate financial background
  - o Document experience and capabilities in mineral exploration, mining, other industrial activities and experience in raising development capital funding;
- Exploration plans and expenditure commitments per year;
- Development schedule including decision gate milestones;
- Source of funding for each stage of the project;
- Overview of vision for development of the property, including ultimate disposal location of any tailings that are mined and processed;
- Impact of the EML not covering the full tailings impoundment area;
- Consideration of NR's current practice regarding brownfield liabilities;
- Overview of potential benefit to the province including but not limited to potential employment, revenue and potential for addressing environmental liabilities;

The foregoing is the minimum information required. However, proponents are encouraged to

incorporate creative and innovative concepts in their proposals. It is incumbent on proponents to provide as much information, including financial data and projections, as necessary to support their proposals.

The analysis of proposals will be based on the information submitted and on any further information that the Department may obtain in subsequent discussions with proponents. Each proposal will be judged on the basis of the information submitted and on an estimation of its overall environmental and economic benefits to the province as well as ability/capability of the proponent to carry through on commitments in the proposal.

The proponent will be granted exclusive mineral rights under the *Mineral Act* either as an Extended Map Staked Licence or a Mining Lease, as appropriate. If a mining lease is to be issued, the proponent will be responsible for providing the legal survey required under section 31.(3)(b) of the *Mineral Act*. The proponent's financial and timing commitments will be incorporated as terms and conditions of the licence or lease.

The Government of Newfoundland and Labrador is not obliged to accept any proposal.

## 5.0 REFERENCES

Hibbard, J.

1983: Geology of the Baie Verte Peninsula, Newfoundland. Newfoundland Department of Mines and Energy, Mineral Development Division, Memoir 2, 279 pages.

Williams, H.

1978: Tectonic lithofacies map of the Appalachian Orogen. Memorial University of Newfoundland. Map 1a.

Tuach, J.

1976: Structural and stratigraphic setting of the Ming and other sulphide deposits in the Rambler area, Newfoundland. Unpublished M.Sc. thesis, Memorial University of Newfoundland, 128 pages.

Tuach, J. and Kennedy, M.J.

1978: Geologic setting of the Ming and other Sulphide deposits, Consolidated Rambler Mines, Northwest Newfoundland. Economic Geology, Volume 73, pages 192-206.

Collins, M.J. and Legrow, P.C.

1988: Mill Tailings Assessment Rambler Mine Area - part of Abandoned Properties Assessment Program, Canada Newfoundland Mineral Development Agreement (Centre No. 072302002)

## Appendix – EML Description



'SCHEDULE "A"

All that piece or parcel of land situate and being at Rambler Mines, in the Electoral District of Baie Verte-White Bay, Province of Newfoundland, abutted and bounded as follows, that is to say:

Beginning at a survey marker located on the westerly side of the main road extending from Route 414 to the old Rambler Mine site, the said survey marker being distant one thousand six hundred seventy-nine decimal three five six metres as measured on a bearing of south fifty-six degrees forty-five minutes thirty seconds east from a northwesterly corner of property surveyed by Jerrett & Associates for Petromet Resources Ltd. August 1988, the said northwesterly corner being formed by the intersection of two lines having bearings of south fifty-seven degrees fifty minutes west and distance four hundred and five decimal seven zero metres and north thirty-two degrees twenty-seven minutes west distance three hundred and ninety decimal three two metres;

Thence running by the said westerly side of the main road leading to the old Rambler Mine site and by the westerly side of England's Steady south forty-two degrees thirteen minutes east three hundred fifteen decimal one nine metres;

Thence running by land of Novagold Resources Incorporated south fourteen degrees twenty-five minutes east one hundred sixty-six decimal eight five metres,

Thence south eighty-four degrees forty-eight minutes west three hundred twenty-eight decimal three zero metres,

Thence north fifty-two degrees thirty-seven minutes west one hundred forty-five decimal seven six metres,

Thence north eighty-seven degrees fifteen minutes west three hundred twenty-four decimal eight one metres,

Thence north eighty-six degrees twenty-nine minutes west one hundred twelve decimal six zero metres,

Thence north twenty-seven degrees nine minutes east two hundred one decimal eight six metres,

Thence north twenty-four degrees fifty-four minutes east one hundred seventy-two decimal five eight metres,

.....2

SCHEDULE "A" CONT'D

Thence south seventy-six degrees forty-five minutes east one hundred sixty-one decimal three eight metres,

Thence north seventy-seven degrees forty-four minutes east one hundred four decimal zero three metres,

And thence south eighty-seven degrees fifty-three minutes east two hundred two decimal eight two metres, more or less, to the point of beginning.

Containing an area of 25.885 hectares, more or less, and being more particularly shown on the diagram annexed hereto;

All bearings being referred to True North.



October 28, 1993.

