In July 2005, 1,019 new claims were staked; 673 on the Island and 346 in Labrador. This increased the staking total for 2005 to 10,695; 5,787 in Labrador and 4,908 on the Island; and the number of claims in good standing at month’s end was approximately 63,595.

Numbered crosses relate to the property locations on the accompanying map.

1. On July 5, Gallery Resources Limited and joint-venture partner, BHP Billiton Diamonds Inc., announced that a diamond-drilling program had commenced on its 4,316-claim, nickel–copper–cobalt, Shabogamo project in western Labrador.

Approximately 1,089 m of diamond drilling will test the five main, airborne geophysical targets in the western half of the property (see May 17, 2004). Results for the first target, at Evening Lake, were reported previously (see November 26, 2004). Two of the remaining targets are located along strike of Evening Lake and the last two targets are at SnowWay, 35 km farther east.

Interpretation of a 2005 airborne geophysical survey (see June 17) is in progress.

2. On July 6, Derek R. White staked an additional 14 claims adjacent to the 30-claim, Nita’s Brook copper property, held by associate Vance W. Green (26 claims) and Derek R. White (4 claims) in southwest Newfoundland. A major, northeasterly trending, late Paleozoic fault trends along the property.

3. On July 10, John Tuach staked 16 claims on the Baie Verte Peninsula for gold. The claims cover a portion of the Betts Cove (ophiolite) Complex and are adjacent, to the northeast, to the 45-claim, Burton’s Pond, copper–gold property option (see November 30 and December 21, 2004) between associated company, Buchans River Ltd. (24 claims), and optionee, Sino Pacific Development Ltd. (21 claims).

The southern portion of the new claim staking overlaps the past-producing, Betts Cove copper Mine fee simple properties.

4. On July 11, Cabo Mining Enterprises Corp. announced that it had commenced a diamond-drilling contract for Aur Resources Inc. at the central Newfoundland, Duck Pond, zinc–copper deposit. The contract involves sealing about 90 previous drillholes and diamond drilling of an additional 7,000 m. The contract forms a part of Aur Resources Inc.’s planned $92 million capital expenditure program for 2005-2006 (see December 14, 2004).

Aur Resources Inc. is scheduled to commence production at its Duck Pond and Boundary base-metal deposits in 2006; current resources (see December 14, 2004) could keep the mine in operation until 2016.
Newfoundland and Labrador Mineral Exploration Programs
(see text)

July 2005
Also on July 11, **10565 Nfld. Inc.** staked 34 claims in the Central Mineral Belt, central Labrador, for their uranium potential. The claims overlie Proterozoic clastic rocks.

On July 12, **Commander Resources Ltd.** reported assay results for reconnaissance mapping and sampling programs at its Blue Hills (209 claims) and White Bear (114 claims) uranium properties in southern Newfoundland (see June 21). Of 111 composite, rock-chip samples of outcrop and float, over 50% (57 samples) returned greater than one pound per tonne (0.045% $U_3O_8$). Thirty-three of these samples exceeded two pounds per tonne (0.09% $U_3O_8$), of which, 18 also exceeded four pounds per tonne (0.18% $U_3O_8$) and the best results consisted of 9.2, 10.3, 11.7 and 12.3 pounds per tonne (respectively, 0.42%, 0.46%, 0.53% and 0.56% $U_3O_8$). Operating uranium mines, world-wide, average 3.3 pounds per tonne (0.15% $U_3O_8$) and current prices are approximately US$29/mt.

The mineralization is hosted by felsic volcanic and granitoid rocks on the western, Blue Hills, property and by felsic volcanic and metasedimentary rocks on the eastern, White Bear, property. Prospects on the Blue Hills property returned most of the better results.

More detailed mapping and sampling is planned for the summer. Radiometric geophysical surveys and basal-till sampling and trenching are also scheduled.

Also on July 12, **Celtic Minerals Ltd.** staked an additional 113 claims for nickel in northern Labrador, centred approximately 13 km southwest of the Voiseys Bay nickel–copper–cobalt deposits. The claims overlie lower Proterozoic paragneiss and younger granitoid intrusions but, based on geophysical interpretations, may contain troctolite at depth. The claims are adjacent to prior staking by Celtic Minerals Ltd. (see October 15 and December 31, 2003) which now holds title to 451 claims in the area.

On July 13, **Cornerstone Resources Inc.** announced the signing of the agreement with **Agnico-Eagle Mines Ltd.** (see March 29) on its 125-claim, EL Strato gold property on the Baie Verte Peninsula. The first year’s spending requirement is $250,000 and Cornerstone Resources Inc. will be the operator of the project.

The property contains the EL Strato and Voodoo gold showings (see March 29). The 2005 exploration program will consist of prospecting, soil geochemical and induced polarization geophysical surveys, geological mapping and diamond drilling.

On July 13 and 14, **10565 Nfld. Inc.** staked 14 claims in several properties in the Central Mineral Belt, central Labrador. 10565 Nfld. Inc. and associate **Lloyd Hillier** now hold 44 claims in eight separate properties in the area. The claims are underlain by Seal Lake Group basalt, gabbro and clastic sediments, to the south of Seal Lake, and were staked for their copper potential. The claims and the surrounding area contain numerous mineral occurrences of copper ± silver and, rarely, zinc and molybdenum.
On July 14, **New Millenium Capital Corp.** announced that the summer 2005 diamond-drilling program had commenced at its LabMag Iron Ore project in western Labrador. Approximately 6,500 m of diamond drilling in about 100 drillholes are for resource delineation of Block B and will complete the field component of the $4.7 million, Phase I exploration program on the project. The Phase II program will commence with approximately 1,500 m in about 20 infill diamond drillholes in Block A. These programs are designed to upgrade an earlier resource estimate (see May 20).

Blocks A and B are located approximately 30 km to the northwest of the railhead at Schefferville, in the largest (473 claims) property of the 646-claim, six-property, LabMag Iron Ore project. The 473-claim property covers 45 km of strike of the prospective iron formation horizon; the remaining five properties cover iron formation outcrop to the east.

Also on July 14, **AggMapR Inc.** staked 197 claims on the Port au Port Peninsula, western Newfoundland. The claims cover limestone and dolomite potential.

As well on July 14, **10565 Nfld. Inc.** staked 20 claims, located in the Central Mineral Belt of central Labrador, overlying felsic to intermediate volcanic rocks having uranium potential. The claims abut the south side of Crosshair Exploration & Mining Corp.’s Moran Lake project (see March 2 and May 26) and may also have IOCG potential.

On July 18, **British Canadian Mines Ltd.** staked an additional 13 claims to the east-northeast of its Little Deer copper property on the Springdale Peninsula, Notre Dame Bay. The property now consists of 38 claims and includes the past-producing Little Deer copper mine. In 1974, its only year in actual production, the Little Deer Mine generated produced 2,715 tonnes of concentrate grading 23.48% copper. Remaining mineral reserves are 210,200 tonnes grading 1.53% copper.

The Little Deer Mine was connected, via underground workings, to the nearby Whalesback Mine. From 1965 to 1971, almost 71 million pounds of copper were recovered from nearly 3.8 million tonnes of ore at the Whalesback Mine.

Also on July 18, **Crosshair Exploration & Mining Corp.** announced the commencement of exploration on its Victoria Lake base- and precious-metal property in west-central Newfoundland. The 215-claim, Victoria Lake property, formerly Block 4 (see May 19), is under option from **Rubicon Minerals Corporation.** A gravity survey will be conducted on a 62-line-km grid on the property. Diamond drilling is planned for the latter part of 2005.

In the 1980s and early 1990s, Noranda Exploration Company Limited (No Personal Liability) located four areas of alteration having volcanogenic-massive-sulphide, base-metal (copper, lead and zinc) signatures, and boulders assaying, separately, up to 6.5% zinc, 4.1% lead, 0.37% copper, 33.9 g/mt silver and 1.02 g/mt gold. The boulders remain unsourced.
On July 20, **Vulcan Minerals Inc.** announced that a projected 1,000 m of diamond drilling had commenced at the Storm No. 1 oil exploration well on its 345-claim, Flat Bay salt property in southwest Newfoundland. The Flat Bay property contains an anticlinal trap in Carboniferous strata within which both sandstone and limestone are potential reservoir rocks. The Storm structure is at a higher stratigraphic level than the Flat Bay Nos. 1 and 2 wells, which have already tested positive for petroleum (see February 10). The Storm structure could exceed 20 km².

**Terralliance Technologies Canada Inc.** has a farm-in agreement on the Storm No. 1 well with an option, under the same terms, on two other locations on the Storm structure (two-thirds of the exploration funding for a 50% interest). Vulcan Minerals Inc. is the project operator and is using its own, recently purchased, drill rig (see May 6).

Also on July 20, **Vulcan Minerals Inc.** announced that operator, **Nortec Ventures Corp.**, had commenced diamond drilling on the 121-claim, TL nickel–copper property in northern Labrador. The diamond-drilling program will test geophysical anomalies. Nortec Ventures Corp. has an earn-in option for a 51% interest in the TL property.

As well on July 20, **Mike Stares** staked 129 claims, in two areas to the northeast and southwest of the Nita’s Brook property, in southwestern Newfoundland, covering copper potential.

In addition on July 20, **Consolidated Abaddon Resources Inc.** announced that an airborne geophysical survey was about to commence on its two, western Labrador, uranium properties. The survey will consist of helicopter-borne radiometrics, magnetics and time-domain electromagnetics. A follow-up program will consist of fieldwork and geochemical and ground geophysical surveys.

In the 1980s, previous operators discovered unconformity-related uranium occurrences on the 176-claim, Sims Lake property and numerous uranium-bearing, graphitic schist boulders on the 406-claim, Gabbro Lake property. The former occur in sandstone near the unit’s basal unconformity; the latter assayed up to 0.24% U₂O₅.

On July 21, **Lloyd Hillier** staked an additional 30 claims in three licences, located in the Central Mineral Belt in central Labrador, for copper. Lloyd Hillier now holds 60 claims in eight licences in the area (see above).

Also on July 21, **British Canadian Mines Ltd.** staked an additional 34 claims along the northeastern margin of its Little Deer copper property (see above). Most copper mineralization on the Springdale Peninsula is hosted by ophiolitic mafic volcanic rocks.

The former copper mining camp on the Springdale Peninsula includes mines at Little Bay, Sleepy Hollow, Whalesback, Little Deer, Colchester West, Colchester Main and Old English. As well, in similar rocks to the southeast across Halls Bay, the Miles Cove and Crescent Lake mines may be considered a part of this group. Collectively, production occurred in three periods: 1877 - 1901 (Little Bay, McNeilly, Colchester West, Colchester Main, Old English, Swatridge, Crescent Lake and
Miles Cove) - approximately 203,185 tonnes grading from 2.5% to 28% copper; mid-1920's (Crescent Lake) - approximately 1,814 tonnes grading 12% copper; and 1961 - 1974 (Little Bay, Sleepy Hollow, Whalesback and Little Deer) - approximately 7,074,547 tonnes from 0.8% to 2% copper.

On July 22, Alexander T. Stares staked 46 claims on the Baie Verte Peninsula. The claims are underlain by ophiolitic, mafic, volcanic and intrusive rocks and cover gold and copper potential.

On July 23, 10565 Nfld. Inc. staked an additional 27 claims in three licences in the Central Mineral Belt of Labrador (see above) for copper. 10565 Nfld. Inc. now holds 41 claims in six licences in the area.

On July 25, Mike Stares staked an additional 65 claims at the Nita’s Brook property in southwest Newfoundland (see above at July 20). Mike Stares now holds 194 claims in a single property at this location.

Also on July 25, Atlantic Minerals Limited staked an additional 28 claims abutting its 72-claim, Lower Cove, limestone–dolomite mining operation on the Port au Port Peninsula in western Newfoundland. Atlantic Minerals Limited has been a producer of dolomite and high-calcium limestone since 1996.

On July 26, Gallery Resources Limited and BHP Billiton Diamonds Inc. reported on the diamond-drilling program at their Shabogamo project in western Labrador. Diamond drilling of a body of olivine-bearing Shabogamo gabbro commenced at Evening Lake in the fall of 2004 and intersected 8.5m of disseminated and, locally, semi-massive magmatic sulphide (see November 10 and 26, 2004).

Two diamond drillholes, 0.75 and 1.5 km to the east of the initial discovery, intersected 9 m and 12 m, respectively, of disseminated sulphide at similar depths. A third diamond drillhole, to the north of the initial intersections, was stopped at 325m depth, still in gabbro, and intersected net–textured magmatic sulphides over 17 m, starting at 75 m depth, and over 45 m, starting at 145 m depth. The former intersection is equivalent to the intersections in the other drillholes; the latter intersection is a separate, deeper, more sulphide-enriched zone, which contains intervals of semi-massive sulphide of from 3 to 200 cm thickness. The mineralization is open in all directions.

Pyrrhotite is the main sulphide mineral and chalcopyrite is also present. Assays of the core are pending; diamond drilling is ongoing.

Also on July 26, Fenton Scott staked 12 claims in western Labrador covering iron ore potential. Fenton Scott (35 claims) and Graeme Scott (25 claims) maintain 60 claims among eight properties having iron ore potential in the northern portion of western Labrador.
On July 27, the Altius Resources Inc. and Fronteer Development Group Inc. strategic alliance announced that diamond drilling was scheduled to commence in mid-August on its 3,192-claim, Central Mineral Belt, uranium property in east-central Labrador (see June 20).

Also on July 27, Benton Resources Corp. announced that it had optioned the 44-claim, Nita’s Brook, copper–silver–gold property (X2). The option agreement includes $200,000 of exploration over four years. An airborne geophysical survey will be flown over the Nita’s Brook property as well as over Benton Resources Corp.’s, northwest-central Newfoundland, LIG property (X22, see June 9).

The Nita’s Brook property contains stringer-style, sulphide mineralization in outcrop and angular boulders of stringer to massive sulphide up to 4 m across. Mineralized shear zones are also present on the property. Samples collected at one showing assayed up to 12.9% copper, 0.24% cobalt and 22 g/mt silver. A sample from another showing, located two km farther north, graded 14.9% copper, 270 g/mt silver and 28.4 g/mt gold.

As well on July 27, 10565 Nfld. Inc. staked an additional 34 claims, in four contiguous licences, in the Central Mineral Belt in central Labrador (see above). 10565 Nfld. Inc. and associate Lloyd Hillier now control 135 claims in nine properties in the area.

The nine properties contain 110 copper occurrences ranging from indications to prospects. These include the Brandy Lake Prospect - A zone, from which grab samples of chalcocite (Cu₂S) mineralization returned 7.5% copper and 5.8 g/mt silver, and 10% copper and 8.9 g/mt silver. The largest of the properties (87 claims) contains over 50 of the copper occurrences, one of which is the North Whisky Lake (No. 64 & 150) Prospect. The best assays from trench sampling of North Whisky Lake are 1.6% copper over 18 m at No. 64 and 7.11% copper and 100 g/mt silver over 1.5 m at No. 150.

In addition on July 27 and July 28, Hayward Critchley and Carl Wade, respectively, staked 30 claims each in central Newfoundland. The claims are adjacent to claims held by associates Allan E. T. Keats (60 claims) and A.S.K. Prospecting & Guiding Inc. (60 claims). The 180-claim property overlies, mostly clastic rocks and has gold potential.

Also on July 28, Richmont Mines Inc. announced that its summer exploration program had commenced on the 502-claim, Valentine Lake gold property in west-central Newfoundland. The property is an earn-in option from Mountain Lake Resources Inc.

The exploration program includes 2,250 m of diamond drilling that is designed to test the shape and extensions of the Main and Northeast zones of mineralization. Richmont Mines Inc. spent $1 million on the first part of this program in 2004. Richmont Mines Inc. may earn a 70% interest by expending a further $1.5 million by October 31, 2007.
As well on July 28, **Evolving Gold Corp.** announced plans for a field program on its 316-claim, Voisey’s Bay West nickel property in northern Labrador. The fieldwork will comprise mapping, geochemical and ground geophysical surveys (including deep-penetrating, horizontal-loop electromagnetics) and, in late fall 2005 or winter 2006, diamond drilling.

In addition on July 28, **Daniel Jacobs** staked an additional 30 claims on the Baie Verte Peninsula. Daniel Jacobs now holds 60 claims to the east of Cornerstone Resources Inc.’s El Strato property (see 8) covering gold potential.

On July 31, **Lloyd Hillier** staked an additional 12 claims in the Central Mineral Belt, central Labrador (see above). The claims contain an additional seven copper occurrences, including the Adeline Island prospect.

Throughout the Seal Lake Group copper properties held by Lloyd Hillier and associated company **10565 Nfld. Inc.**, grab samples have graded up to 16.72% copper and 15.1 g/mt silver, and 14.85% copper and 64.5 g/mt silver. As well, results from wide-ranging trench sampling indicate grades of up to 2 or 3% copper over lengths of 4-20 m and averages of approximately 1% to 1.5% copper over areas of up to 250 m².