

# **The Northern Miner**

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## **ALTIUS ROLLS DICE ON EPITHERMAL MODEL FOR CENTRAL NEWFOUNDLAND**

Central Newfoundland is well known for its base metal potential, but Altius Minerals (ALS-A) believes it is geologically suited for gold targets as well.

The newly listed junior is using an epithermal model to characterize gold mineralization uncovered at its 25.5-sq.-km Moosehead property; situated 3 km southeast of the town of Bishop's Falls. Although gold deposits elsewhere in the province have been defined as epithermal, it's the first time the model has been applied to the Bishop's Falls region.

"We are at the forefront in recognizing what we think is a new epithermal gold district," says Altius President Brian Dalton, who completed his undergraduate thesis on the project last winter.

Geologically, Moosehead is underlain by sandstone, siltstone and minor sub-aerial felsic and mafic rocks of the Botwood Group. The group developed in a post-accretionary sedimentary basin during the late Silurian and early Devonian periods, and was later intruded by gabbroic and granitic rocks of the Mount Peyton Intrusive Suite.

Gold mineralization was discovered on the property by Noranda in 1989. At the time Noranda was attempting to find the source of lake sediments anomalous in gold and arsenic, which followed a regional thrust fault that crosses the Moosehead property. The major's efforts were unsuccessful; only large angular quartz boulders, grading up to 149 grams gold per tonne with minor silver, were found.

The property was acquired by Altius Resources, a private company run by Dalton, and optioned to Royal Oak Mines, which carried out soil and till surveys in 1996. Seven holes were drilled later in the year, results from which showed the property was underlain by broad zones of illitic and propylitic alteration in sedimentary units and mafic dykes. The latter alteration type is considered an early-stage, widespread and district-wide event in many epithermal districts.

Additionally, hole MH96-5, which was collared on a gold-in-till anomaly at the northern end of the quartz boulder train, hit a 10-cm-wide quartz vein assaying 259 grams gold at a depth of 49.5 metres. The vein, which contained finely disseminated visible gold, plus 5% bournonite (lead-copper-antimony sulphide) and sphalerite, cut sericitic siltstone assaying up to 0.5 gram gold and containing disseminated pyrite, quartz-carbonate stockworks and chloritized microfractures. Similarly, hole MH96-6 returned up to

0.62 gram gold over unspecified widths in quartz-carbonate stockwork and illite-altered siltstone.

Shortly thereafter, Royal Oak closed its Newfoundland exploration office, resulting in the property falling back into the lap of Altius Resources. In 1997, additional till surveying, trenching and mapping was carried out.

Two till horizons outlined immediately west of, and sub-parallel with, the boulder train contained several boulders comprised of gold-sulphosalt-rich quartz veins and breccia. As well, several new boulders of matrix-supported hydrothermal breccia were also discovered at the northern edge of the train itself; they typically assayed greater than 20 grams gold, and some samples contained elevated mercury values of 20 to 40 parts per million as well.

"We're starting to recognize mineralization and textures that strongly indicate low-sulphidation epithermal gold mineralization," says Dalton, adding that it is one of oldest occurrences of this type of mineralization.

Altius Minerals, into which Altius Resources was absorbed earlier this year, is now faced with the problem of funding additional exploration programs. The company currently has \$250,000 in working capital left over from its initial public offering last October, but must divide this among Moosehead and six other mineral properties (two gold, four base metals) in the province, most of which are ready to be drilled.

"With so many [properties], we want to arrange joint ventures to make sure they are all explored," says Dalton.

Negotiations with several companies are said to be in progress, as is a private placement.

Currently, a reverse-circulation drill program is being prepared for Moosehead. The program will test the till and the uppermost reaches of bedrock. Data from the program will then be used to generate a three-dimensional vector model that the company hopes will pinpoint the source of gold.