



www.kitco.com

Spot Prices as of May 15, 2003 10:34 New York Time

▲ Gold 353.10 +1.00 ▼ Silver 4.78 -0.08

Press "RELOAD" for fresh quotes



> | | News Stories Mining Companies Mining Advisors Commodities Equipment **Indices**

- > [News](#)
- > [Commodities](#)
- > [Features](#)
- > [Brokers](#)
- > [Archives](#)
- > [Mining Calendar](#)
- > [Links](#)
- > [Join Us](#)
- > [Contact Us](#)
- > [Oil Barrel](#)
- > [Grant Thornton](#)
- > [Intierra](#)

News Story

Print This Page
 Email This Page

Date : April 24, 2003

Altius Minerals Demonstrates Value of Junior Explorer Role In Newfoundland & Labrador To Perfection.

Last October the Newfoundland and Labrador Chamber of Mineral Resources sent a small party of listed Canadian companies with operations in that part of the world on a trip to London. The idea was to focus investors' attention on the gold rush that had started around the Botwood Basin. Such a rush was unusual as it is virgin territory which has not had any history of commercial gold production. Newfoundland itself has a unique geological history with rocks that illustrate the complete tectonic cycle from the rifting of an ancient continental mass through to eventual closure through subduction which generated plutonism, related volcanism, and related mineralising events. If that sounds a bit technical, take it that the earth's surface crunched up all around Newfoundland releasing a lot of liquefied metals and minerals. The big deposit found in the region to date is the Voisey's Bay nickel deposit.

It was a founder of one of these junior companies, Altius Minerals, who came up with the theory that the Botwood Basin, at the centre of this disturbance, was a dead ringer for the Carlin Trend in Nevada with its epithermal gold deposits. In 2001 Roland Butler, for it was he, went down to Nevada and convinced Barrick Gold, with its major production on the Carlin Trend, to take a hike up to Newfoundland. In the meantime his company shrewdly took a lot more ground over three regional trends and Barrick signed up as a joint venture partner on the Mustang trend in December 2001.

Altius is run by Brian Dalton and Roland Hill who are both still in their 30s, but started doing mining deals to finance their way through university where they were studying geology. In fact Brian claims that Roland actually completed his first deal while still at high school. They clearly respect each other's strengths as Brian points out that Roland is not the man to run a meticulous mapping exercise. "Leave him to look at the big picture and he will come up with a conclusion that no one has thought about. Hence the Botwood Basin where so many companies have followed our lead. The latest contender is Goldcorp which has entered a joint venture with Candente Resources."

It is still early days at Botwood. Last winter was one of the worst on record so virtually no work could be carried out. Now the various companies are getting ready for action and from May onwards Brian Dalton reckons there

will be a spate of news. His own company will be involved in the drilling of between 150 and 200 holes this year as its essential policy is to lay off risk through joint ventures. Asked if this policy would vary if he was sure that he was sitting on a major deposit, the answer is still, "No, there is always geological risk and our shareholders appreciate the way we do things here." Not only shareholders, it has to be said, but partners as well. Names such as Billiton, Teck Corporation, GNI and Cameco feature among those which have been involved in joint ventures with Altius since it started in 1998. What is more the share price has grown steadily over the period in broad correlation with increasing partner funded drilling levels which confirms that the business plan increases value for shareholders.

At the end of March Altius had exploration rights to more than 40 properties spread over six exploration plays in Newfoundland & Labrador including the Botwood Basin. Fifteen of these are already joint ventures including six with Barrick Gold in the eastern Botwood Basin where three key target areas for Carlin -type gold deposits have already been identified. This land package is about the same size as the entire Carlin trend in Nevada. Sudbury Contact Mines, a subsidiary of Agnico Eagle is funding drilling at Moosehead which is the most advanced of these joint ventures. It appears to be an intermediate epithermal system on the lines of El Penon in Chile, but more will be known when the results of the winter drilling are fully analysed.

2003 will see a lot of activity with Altius operating exploration programmes funded by its partners on both the above joint ventures as well as at Roberts Arm, a volcanic massive sulphide prospect in central Newfoundland being funded by Inmet, and Rocky Brook a uranium-gold-silver property in western Newfoundland where Cameco is partner. Very recently Altius announced a strategic alliance with Fronteer Development to explore the central mineral belt in Labrador for iron oxide copper gold deposits and it is seeking a partner for the Rambler gold property where high gold production ceased when mining hit a boundary. Needless to say Altius has consolidated all the land around the mine as a result of its plan to get involved in the region when no one else was interested.

Last, but by no means least, the company is in a sound financial position. It has around C\$2 million in the kitty and its burn rate is low as virtually everything, part from its own think-tank, is funded by partners. Moreover it generates a certain amount of cash from payments associated with its joint ventures and Brian Dalton reckons Altius can continue to operate for at least two years without having to think of a funding. By that time one or more of its joint ventures could have come up with the goods and transformed the outlook for the company.

[PREVIOUS PAGE](#) | [PRIVACY](#) | [JOIN US](#) | [CONTACT US](#)

Copyright © 2003 MINESITE. All rights reserved.