

ALTIUS CUTS GOLD AT MOOSEHEAD
October 15-21, 2001
Vol. 87, No. 34, Page 11

A hole drilled at the Moosehead property in central Newfoundland has returned high-grade gold values for partners Altius Minerals (ALS-V) and Sudbury Contact Mines (SUD-T).

Hole 13 intersected 17.1 metres averaging 11 grams gold per tonne. Most of the gold was carried by a 1.5 metre sub-interval that assayed 97 grams.

Mineralization is hosted by Silurian-aged siltstone and sandstone that was intruded by quartz veins and vein breccia. Pyrite, sphalerite and sulfosalt minerals, as well as minor gold, are visible.

Bonanza-style mineralization is not uncommon to the Botwood Basin, but the results warrant further investigation. Accordingly, drilling is ongoing in an effort to determine the orientation of the mineralized structure.

Meanwhile, five holes drilled northwest of hole 13 returned elevated gold values in quartz-carbonate veins in sandstone. The holes followed up a previous one that intersected 15cm with 259 grams. Strongly altered mafic dykes carrying up to 3 grams gold were intersected as well.

About 300 metres south of hole 13, five other holes are still not back from the assay lab. All intersected an altered and silicified fault that is intruded by narrow banded quartz-sulfosalt veins.

In light of the results, Altius and Sudbury Contact have staked 32 claims in the immediate area to expand the property to 22.5 sq. km.

Sudbury Contact, a subsidiary of Agnico-Eagle Mines (AGE-T), can earn a 51% stake in the Moosehead property by spending \$800,000 on exploration over three years. Another 9% can be acquired by spending \$1 million in the following two years. As part of the deal, Sudbury Contact is required to pay Altius \$150,000 in cash.