

Altius resumes drilling on Moosehead property

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R-B NEWS

Altius Minerals knows it's on to something.

The junior exploration company is preparing to resume drilling operations on its Moosehead property.

Located in the northwest section of the Botwood Basin gold project, the property was acquired by the mineral exploration company approximately four years ago.

Roland Butler, Altius' vice-president and chief financial officer (CFO), said the property was initially developed to search for a source of quartz boulders containing high-grade gold.

"We know the boulders were transported by glaciers, but we didn't know how far they had travelled, or where the original source was in the bedrock," he explained. "To find out, we did a lot of prospecting, surveys using geophysical methods, and took samples of the glacial till."

Last fall, the company attracted a partner, Sudbury Contact Mines, a subsidiary of Agnico-Eagle, and began drilling. Almost immediately, the partners found promising quartz veins in the bedrock.

Even more encouraging is the veins, which were laced with high-grade gold, weren't far away from the bedrock source the company was also seeking.

"Now we know we're in the right

area," said Mr. Butler. "The job we have to do now is complete more drilling in that sector. So far, we've been drilling at fairly shallow depths - approximately 50-100 metres."

The drilling that is expected to commence this month is based on the results of a geophysical survey, which reads magnetic patterns in rock, and geophysical methods that locate fault zones.

Mr. Butler explained the fault zones are important because in areas where rock has been broken up, fluids are able to carry gold through the rock.

"Hopefully, using the results of that survey, we'll be drilling to see what those responses are," he said.

IMMEDIATE OBJECTIVES

The vice-president added Altius Minerals is willing to be a little patient in waiting for the results.

He added the drilling operation is expected to last a few weeks, and then there will be another delay while the assays on the samples are completed.

"If everything goes smoothly, it should take a month or so," said Mr. Butler. "With drilling, sometimes there are problems. But we've been having good success with Moosehead because the drilling conditions are good."

The vice-president added once the results from the latest round of results are analyzed, drilling is scheduled to resume



Mike Regular, mining and dimension stone officer with the Exploits Valley Economic Development Corporation (EVEDC), is one of several people in central Newfoundland following developments at Altius Minerals' Moosehead property.

in the next few months.

"During the summer program, we are

planning to go back to areas where we found gold last fall, and expand outwards from those locations," he said.

Mr. Butler classified Moosehead as one of his firm's most active properties, adding there are several reasons the junior exploration company has sustained a four-year commitment to the project.

"We know there's high-grade gold there now," he said. "It is just a matter of finding out the distribution pattern, and the amount of veins that contain what we're looking for. As a geologist, it is also exciting to witness the scientific and technical aspects of the achievement. It is a lot of fun."

"The picture we have in mind (at Moosehead) is a narrow vein containing a very high-grade gold system," added Mr. Butler. "It is still going to take some time to determine the limits of the system, and we are still in the early stages. But over time, we expect to learn more and more about it."

Mr. Butler added the property may never support a mine, but that can't be determined until a closer look is taken, and a lot more work completed.

"As long as we can conduct drilling and find more gold, and more of the features associated with gold, we're happy to keep doing the work," he said. "And so far, every bit of work we've put into this has given us enough encouragement to continue."