

EXPLORATION & MINING IN nevada

by Brian O'Hara

Nevada is hot. My son, Samuel, said that during our recent visit to Nevada, in August. While he was referring to the temperature, which hit 115°F during our drive through the desert, he could have also been referring to the tempo of exploration. According to Doug Driesner, Director of Mining Services for Nevada, exploration expenditures for the state, which were \$110 million in 2009, are expected in 2010 to reach \$153 million. Much of this exploration is focused on gold.

The increased exploration relates both to the ongoing need for major operators to develop new reserves and the success of a few projects close to production decisions. In the *Economic Overview of Nevada's Mineral Industry*, published by the Nevada Mining Association, Nevada's gold production in 2009 was 5.64 million ounces, a slight drop from the 5.7 million ounces produced in 2008. It is still the top gold mining state in the US; however, it did drop to sixth place in the world from fifth. Nevada has increased

its proven and probable gold reserve to 75 million ounces in 2009 from 70 million ounces in 2008.

Hot could also describe the heated debate on the Nevada state budget shortfall and the new claim fees for exploration companies, plus the possibility of significantly increased mining taxes for operators. The economic slowdown in the US has hit Nevada particularly hard in its two main industries – housing construction and gaming – contributing to a high unemployment rate.

Nevada has a general fund budget of about \$6.4 billion and is not allowed by law to run a deficit. In early 2010, the state was forced to call a special session to eliminate a potential \$887 million deficit. One result of this is a special one-time fee on all mineral claims. This fee was previously zero and now ranges from \$70 per claim for more than 10 claims, up to \$195 for more than 1,300 claims. There is no change to the annual fee of \$140 paid to the Bureau of Land Management.



COMPANY SUMMARIES

Allied Nevada Gold Corp. [ANV-TSX ANV-NYSE-Amex] is producing gold at its Hycroft Gold Mine, 54 miles west of Winnemucca. The mine restarted in June 2009 after being placed on care and maintenance in 1998. The mine attained commercial production in 2009 and is on target to produce 100,000 oz gold in 2010. Allied is continuing to expand reserves and resources in order to increase gold production 600% to about 600,000 oz/year.

American Bonanza Gold Corp. [BZA-TSX] has its Gold Bar Project at the structural intersection of the Battle Mountain-Eureka Belt and the Cortez Rift. It is a former producer with historic non NI 43-101 compliant resources of 6.1 million tons grading 0.082 oz gold/ton.

American Lithium Minerals Inc. [AMLM-OTCBB] is exploring the Borate Hills Project in western Nevada. It is expanding surface sampling by the previous operator which returned 0.275% lithium and 1% boron. The objective is to develop an economic pre-feasibility study. **Japan Oil, Gas and Metals National Corp.** (JOGMEC) will invest up to US \$4 million in the Borate Hills Project. This project is 20 miles from the Chemetall-Foote Silver Peak Mine, the only lithium mine in North America.

AmeriLithium Corp. [AMEL-OTCBB] has completed the second phase of geophysical exploration of the Paymaster Canyon lithium brine project adjacent to the Clayton Valley.

Ashburton Ventures Inc. [ABR-TSXV] has the Deep Creek property in northern Nevada, 112 km north of Elko. Ashburton recently announced it negotiated with **Newmont Mining Corp.** [NMC-TSX; NEM-NYSE] to have all historic data in return for Newmont having a first right of refusal and a 0.5% NSR on this project. Earlier drilling by Franco-Nevada resulted

in an historic, non-compliant NI 43-101 resources of an estimated 477,000 oz gold. Ashburton is completing a drill program close to historic drill holes to update resources to NI 43-101 standards.

Atna Resources Ltd. [ATN-TSX] is developing the Reward Gold Mine Project in Nye County. Permits are in place and a \$900,000 reclamation bond was posted. The \$3 million mine development program will complete design engineering and infrastructure development. The operation is expected to produce 139,000 oz gold over five years. Atna has 30% interest in the Pinson Gold Mine, a J/V in Humboldt County where Barrick Gold is operator.

AuEx Ventures Inc. [XAU-TSX] see sidebar on page 15.

Barrick Gold Corp. [ABX-TSX, NYSE] dominates the Nevada mining industry with a gold production of about 2.5 million ounces in 2009. The company owns or partly owns eight mines; Goldstrike, Round Mountain, Bald Mountain, Cortez, Turquoise Ridge, Golden Sunlight, Ruby Hill and Marigold operations, plus exploration projects. Barrick has planned a \$65 million exploration program in Nevada mostly to add new reserves to existing mines.

Bravada Gold Corp. [BVA-TSXV] has 13 projects in the Battle Mountain-Eureka program. Drilling is planned for the Signal projects, PH Project and the SF Project. Its principal shareholder is **Bravo Gold Corp.** [BVG-TSXV], holding 44% of shares.

Boxxer Gold Corp. [BXX-TSXV] received drill permits for its 100%-owned Boss copper-gold porphyry project in the Goodsprings Mining District. Drilling will test geophysical targets. Boxxer also has an 80% interest in Buena Vista Project, 120 miles northeast of Reno, which has 57 zones of mineralization with some grading up to 22% copper.

Bullion Monarch Mining Inc. [BULM-OTCBB] receives its largest revenue source

(\$10 million in last three years) from a 1% royalty from Newmont's Leeville/East Ore Mine in the Carlin Trend. The North Pipeline Mine is currently producing placer gold with the underground portion of the property yet to be explored.

Canyon Copper Corp. [CNYC-OTCBB] is exploring its New York Canyon Project in Mineral County. Extensive drilling was done in the 1960s & 70s and from 1992-97 with some 181 drill holes totaling 127,933 feet. A NI 43-101 resource estimate was released in May 2010 with indicated resources of 16.2 million tons averaging 0.43% copper and inferred resources of 2.9 million tons averaging 0.31% copper.

Comstock Mining Inc. [LODE-OTCBB] is exploring 5,892 acres of claims in the Comstock and Silver City region. The company completed its spring drilling program and released a NI 43-101 report with measured/indicated resources of 31.5 million tons grading 0.029 oz gold/ton and 0.336 oz silver/ton. There are an additional 10.5 million tons of 0.023 oz gold/ton and 0.256 oz silver/ton. There is about 1.2 million ounces of gold or 1.6 million ounces of equivalent gold taking into account silver credits.

Columbus Gold Corp. [CGT-TSXV] controls a 100% interest in 22 gold projects along or near Nevada's most productive gold trends. Columbus plans a Phase I drilling program for the Stevens Basin Project in Eureka County and up to nine RC holes on the White Horse Flats Project, Elko County. Columbus Gold also owns a significant equity interest in **Columbus Silver Corp.** [CSC-TSXV] which is exploring three silver projects.

Constitution Mining Corp. [CMIN-OTCBB] executed an agreement with **Seabridge Gold Inc.** [SA-NYSE Amex] to acquire 30 Nevada gold projects. The Castle Black Rock Gold Project in Esmeralda County is the most advanced with a NI 43-101-compliant gold resource of 215,000

measured and indicated ounces and 93,000 inferred ounces.

Coral Gold Resources Ltd. [CLH-TSXV; GV8-Frankfurt; CLHRF-OTOB] projects are situated along the Cortez Gold Trend. Its most important properties are in the south Crescent Valley; Robertson (100%-owned), Excluded (39%-owned/61% by Barrick), Norma Sass and Ruf (J/V with **Levon Resources Ltd.** [LVN-TSXV]). Coral Gold also holds a 100% interest in the Lander Ranch and Blue Nugget claims, located immediately north of Robertson. Robertson has a NI 43-101 compliant inferred gold resource of 178.9 million tons of 0.0189 oz gold/ton. Drilling will focus on the Gold Pan and Altenburg Hill Zones.

Corvus Gold Inc. [KOR-TSX] was recently spun off from **International Tower Hill Mines Ltd.** [ITH-TSXV]. Int'l Tower will keep only the Livengood Project near Fairbanks, Alaska, while Corvus will hold all other exploration projects in Nevada and Alaska.

Crown Gold Corp. [CWM-TSXV] reported on Aug 30, 2010 a plan of arrangement combining former Crown Minerals (their former shareholder now holds 59.9%) and former Gold Summit Corp. (their former shareholders hold 40.1%). Their most advanced project is the Monte Cristo Project in Esmeralda County. The project has a NI 43-101 compliant resource of 3.48 million tonnes grading 3.14 grams gold/tonne containing about 313,000 oz gold. The Sugarloaf Peak Project, also in Esmeralda County, includes the old Tip Top Mine with NI 43-101 compliant indicated and inferred resources of 646,234 tonnes grading 2.9 grams gold/tonne.

Cypress Development Corp. [CYP-TSXV] holds the Gunman Zinc-Silver Project northeast of Eureka. **Bison Gold Exploration Inc.** [BGE-TSXV] has a 1% NSR. About 17,400 feet of drilling in 2000 and 2004 returned some spectacular drill intercepts with grades reaching up to 37% zinc over 5.0 feet, and 26.8% zinc and 8 oz silver/ton over 75 feet.

Christopher James Gold Corp. [CJG-TSXV] is working with **Fortune River Resource Corp.** [FRX-TSXV] to jointly explore, on a 50/50 earn-in basis, the Zebra Gold Project, 20 miles east of Newmont's Midas Mine. An IP survey has been completed and drilling is planned. Earlier, hole H02013 cut 1.5 metres of 66.9 grams gold/tonne and 397.7 grams silver/tonne. This is the third agreement with Fortune River in Nevada, the other two being the Buzz and Highland projects, where CJG can earn 70% interests.

Electric Metals Inc. [EMI-TSXV] signed an option agreement with **GeoXplor Corp.**, (private), to acquire 70 lithium claims in Esmeralda County. The prospect is in the Big Smokey Valley, adjacent to the Clayton Valley.

ESO Uranium Corp. [ESO-TSXV; E2G-Frankfurt] has two projects in west-central Nevada. The Teels Marsh Project is near the Chemetal-Foote Mine. The USGS reported lithium concentrations in brine up to 850 ppm. Boron with grades as high as 893 ppm was also found. The Marietta property was first



Drilling operations at the Long Canyon gold exploration project located within the Pequoop Gold District in Elko County, Nevada. Fronteer Gold recently increased its interest in the project from 51% to 100% through a merger with AuEx Ventures. Photo courtesy AuEx Ventures, Inc.

mined for silver in the late 1800s. Later on, copper was discovered and, after 1950, the same high-grade structures were found to carry uranium.

Expedition Mining Inc. [EXU-TSXV] has two projects in Humboldt County. The TACT property is in the Battle Mountain-Eureka Trend six miles southwest of Newmont's Lone Tree Gold Mine where drilling in 2009 intersected 9.1 metres of 0.42 grams gold/tonne. The Buff Project, four miles southwest of Lone Tree, was staked to cover gold mineralization and a copper-bearing intrusive.

Evolving Gold Corp. [EVG-TSXV] has widespread and thick gold zones on its Carlin Project in the Carlin Gold Trend. On July 27, Evolving announced drill hole CAR-009 intersected 171.8 metres of 0.31 grams gold/tonne. Evolving's Sheep Creeks property is one of four properties subject to an exploration lease and sublease agreement with Newmont.

Firestone Ventures Inc. [FV-TSXV; F5V-Frankfurt] reports a surface exploration program consisting of geological mapping, rock and soil sampling at its partly optioned/partly owned Antelope zinc-lead-silver project has defined high-grade zinc mineralization over an area 700 by 250 metres (Lodestar Zone) within a larger four-km long anomalous zinc-lead-silver north-

trending corridor. The road-accessible property is 75 km southwest of Eureka. A total of 823 soil samples were collected with 66 soil samples containing more than 384 ppm zinc, including four samples that returned over 10,000 ppm zinc (1% zinc). Field crew also collected 119 rock samples that returned up to 18.4% zinc, 2.7% lead and 12.5 grams silver/tonne are from the central Lodestar Zone.

Fronteer Gold Inc. [FRG-TSX; FRG-NYSE Amex] see sidebar on page 15.

Galahad Metals Inc. [GAX-TSXV] is exploring its Bottle Creek Project in Humboldt County and earned a 60% interest from J/V partner **Golden Gryphon Explorations** (private). A 4,000-metre drill program has been recommended.

General Moly, Inc. [GMO-TSX; NYSE Alternext] has two assets, an 80% interest in the Mt. Hope Project and the Liberty Project, both in central Nevada. General Moly announced, in March, project funding for Mt. Hope from Hanlong (USA) Mining Investment Inc., a wholly-owned subsidiary of Sichuan Hanlong Group (Hanlong). Mt. Hope will produce 40 million lbs moly for the first five years. The Liberty Mine will produce 18 million lbs copper for the first five years, starting in 2013.

Globex Mining Enterprises Inc. [GMX-TSX, G1M-Frankfurt] has the Bell Mountain Project in Churchill County which has a historical non-compliant resource of 2.1 million tons grading 0.4 oz gold/ton. Globex can earn a 100% interest from **Laurion Mineral Exploration Inc.** [LME-TSXV].

Gold Canyon Resources Inc. [GCU-TSXV] controls a 100% interest in the Cordero Gallium Project in north-central Nevada that hosts North America's largest known primary gallium occurrence. Measured/indicated resources are 14.9 million tonnes grading 47.7 ppm gallium and inferred resources of 6.5 million tonnes grading 43.7 ppm gallium. The project is on hold pending higher gallium prices.

Goldcorp Inc. [G-TSX; GG-NYSE] has a 66.7% interest in the Marigold Mine with

Barrick holding the remaining interest. In 2009, Goldcorp's share of gold production from the Marigold Mine was 98,000 oz gold. Marigold is expected to produce gold through to 2017. The Dee J/V Project with Barrick exhibits good potential for a mining operation. The South Arturo Project consists of a series of sediment hosted Carlin-style gold deposits adjacent to and including the former Dee Gold Mine.

Golden Predator Corp. [GPD-TSX] has over 38 precious metals projects in Nevada and Yukon and a gold royalty portfolio yielding over \$1.2 million per year. The most advanced project is the Adelaide Project in Humboldt County. Golden Predator will focus on Margarite vein structural zone, by driving an underground decline and exploration drift to develop underground workings to about 250 feet below surface to build underground drilling platforms. Permitting began in May 2009 at the Taylor and Humboldt mill sites where the company intends to build a 200 TPD mill. Golden Predator is creating a new company called Silver Predator to monetize the value of their Nevada silver projects.

Great Basin Gold Ltd. [GBG-TSX, NYSE Amex] recently announced a revised resource estimate for the Hollister Project on the Carlin Trend, based on a drilling campaign of 109,731 feet. The combined measured/indicated mineral resources contain 1.64 million gold equivalent oz.

Gryphon Gold Corp. [GGN-TSX] holds the 1.4 million ounce (measured/indicated) and 1.1 million ounce (inferred) Borealis deposit in the Walker Lane Gold Belt. **Nevada Eagle Resources**, a wholly-owned subsidiary, has about 54 prospective gold properties located in desirable gold trends.

HoneyBadger Exploration Inc. [TUF-TSXV] and J/V partner **Entrée Gold Inc.** [ETG-TSX; EGI-NYSE Amex] have completed geological mapping and soil geochemical surveying over the Blackjack property to identify copper porphyry targets. Drilling began in June for a total of 2,800 metres. Five drill holes will test soil anomalies and two will target a geophysical anomaly.

ICN Resources Ltd. [ICN-TSXV] is exploring the Hog Ranch Project in Washoe County, which hosts the past-producing Hog Ranch Mine. ICN completed a 2,856-metre drilling program. Hog Ranch hosts two unmined deposits with historical resources: the White Mountain deposit, containing 1.45 million tonnes of 1.13 grams gold/tonne, and the Airport deposit, containing 0.4 million tonnes grading 1.85 grams/tonne. Together, these deposits contain about 80,000 oz gold.

International Enesco Ltd. [IEC-TSXV] received an update to its 2006 positive pre-feasibility study for the 100%-owned Contact Copper Project in Elko County. The study envisioned the project producing 25 million lbs/year of high-purity cathode copper from heap leaching and solvent extraction-electrowinning over nine years at a cash cost of US \$0.93/lb. Resources at Contact stand at 135.2 million tons of 0.263% copper, with measured/indicated resources of 53.4 million tons of 0.272% copper.

International Millennium Mining Corp. [IMI-TSXV] is exploring the Simon property in the Cedar Mountains 35 km northeast of Mina in the Walker-Lane Trend where it is earning a 100% interest. The Simon Mine produced about 97,000 tons intermittently between 1916 and 1968 averaging 3.2 oz silver/ton, 4.8% lead and 5.4% zinc with grades increasing at depth. Geophysics and soil sampling have been carried out.

Jipangu, International, Inc. owns two gold mines in Nevada – Florida Canyon Gold Mine 68 km southwest of Winnemucca, which produces about 60,000 oz/year and the nearby Standard Mine. Exploration drilling has been taking place at Florida Canyon where the deposit remains open to expansion where a heap leach pad is being constructed.

Kent Exploration Inc. [KEX-TSXV] has acquired 100% of the Ivanhoe Creek property by entering into a 20-year mining lease option agreement with R. Redfern of Elko. The property is a Midas-type gold-silver prospect in the Carlin Trend.

Kent holds a 50% interest with the other 50% held by **Senator Minerals Inc.** [SNR-TSXV] in the Ivanhoe Creek placer claims covering a bentonite deposit.

Klondex Mines Ltd. [KDX-TSX; KLNDF-OTCBB] is preparing to drive an underground decline on its 100%-owned Fire Creek gold property in north-central Nevada. The drilling part of the program, recommended in a NI 43-101-compliant resource update, will further test the two high-grade gold vein sets which make up the Main Zone and which are primary targets for bulk sampling. Indicated NI 43-101 compliant resources at Fire Creek stand at 5,043,033 tonnes grading 10.11 grams gold/tonne and inferred resources are 1,833,423 tonnes of 8.63 grams/tonne. Klondex is planning to drive a 4,000-foot decline for in-fill drilling and bulk sampling. Its initial strategy is to do the bulk sampling of high-grade blocks of ore grading over 1 oz gold/ton to obtain maximum revenue with the permit for Small Scale Facility which is limited to 36,500 tons/year. Klondex is in process of seeking a gold-based financing of \$10-\$20 million to fund this underground development.

La Quinta Resources Corp. [LAQ-TSXV] has acquired an option to earn a 65% interest from Gryphon Gold on the Easter property in Lincoln County. La Quinta released a technical report in June with NI 43-101 indicated resources of 2.64 million tons grading 1.32 grams gold/tonne, plus 14 grams silver/tonne. La Quinta is conducting an RC drilling program of about 3,200 feet in 16 holes.

Lincoln Mining Corp. [LMG-TSXV] is exploring the Pine Grove Project in Lyon County. This project has NI 43-101 compliant inferred resources of 6.06 million tons grading 0.053 oz gold/ton. A 63-hole RC drilling program was completed in February. A consulting firm has been engaged to both revise the NI 43-101 resources and compile a scoping study, expected at the end of 2010.

Max Resource Corp. [MXR-TSXV; MXROF-OTCBB; MXROF; M1D-Frankfurt] is exploring the Table Top claims in Humboldt

County. The Table Top area is on trend with AMAX's Sleeper Canyon Mine (2.5 MM oz produced), 25 miles north. Max began drilling September 7 to test a new zone 500-1,000 feet in depth to follow up drill results earlier this year that returned gold mineralization in 10 of 15 holes, including an intercept of 27.4 metres of 0.467 grams gold/tonne. Max received encouraging assay results from soil sampling at the East Manhattan Wash Gold Project, Nye County, which shows a mineralized zone of 5,500 by 1,500 feet. Max can acquire a 100 % interest in the FMC claims in Eureka County and holds the Ravin molybdenum prospect 20 miles north of Austin, Lander County.

Mexivada Mining Corp. [MNV-TSXV] and J/V partner **West Kirkland Mining Inc.** [WKM-TSXV] are exploring the Goldstorm gold-silver property, Elko County. Mexivada controls six projects in Nevada. The company has optioned to **Trilogy Mining Corp.** its Jefferson gold-silver-tellurium-indium property. Mexivada is geological mapping and sampling its Ziggurat gold prospect.

Midway Gold Corp. [MDW-TSXV] reported results from drilling and metallurgical work under way by Barrick at the Spring Valley Project, Pershing County, as part of a \$5 million program. Spring Valley has inferred resources of 87.5 million tons grading 0.021 oz gold/ton. Drilling completed through August 2010 totaled 16,533 feet. Best results are 103 feet grading 0.97 oz gold/ton.

Miranda Gold Corp. [MAD-TSXV] has 15 projects with J/V partners. **NuLegacy Gold Corp.** (private) will do a \$500,000 drilling program on the Red Hill Project, Eureka County to follow up 2006 drill results of 45 feet of 0.237 oz gold/ton. A \$500,000 to \$1 million drilling program is planned with J/V partner **Montezuma Mines Inc.** (private) on the Red Canyon Project.

Mosquito Consolidated Gold Mines Ltd. [MSQ-TSXV] has several projects in Nevada, including the Pine Tree molybdenum porphyry project and the nearby Copper Chief prospect; the Spruce

Mountain molybdenum porphyry property; and the Black Point Gold Project.

Nevada Copper Corp. [NCU-TSXV] announced a new NI 43-101 resource update for its 100%-owned Pumpkin Hollow copper IOCG property in the Walker Lane Belt near Yerington, It is a large resource consisting of three copper-iron open pit deposits (North, South and Southeast Zone) and three high-grade underground copper zones (East, JK-34 and E-2). Its 2009 resource estimate shows 488 million tons measured/indicated grading 0.58% copper with gold and silver values, and 440 million tons inferred grading 0.42% with gold and silver values. The copper resources total 9.3 billion lbs, 1.45 million oz gold and 55 million oz silver. There are 747 million tons of measured/indicated/inferred iron resources grading 24.5% iron. The high-grade Eastern underground deposits contain a measured/indicated resource of 31 million tons averaging 1.83% copper and an inferred resource of 9 million tons of 1.67% copper. Total gold resources are 1.45 million ounces and 55 million oz silver. Drilling continues to expand these resources, and several zones are still open to extensions. On September 8, 2010, drill hole NC10-62 intersected 1,258.5 feet of 0.58% copper in four separate zones. Plans include a mill of about 60,000 TPD with 52,500 TPD from the open pit and 7,500 TPD from underground bulk mining. A feasibility study is expected to be completed this year. It is evident this is a large and easily accessible copper project with many different possibilities. The market value of Nevada Copper is about 1.8 cents/lb of in-situ copper, well below comparisons with buyouts that have ranged around a market value of 3 cents/lb and a peer group of advanced copper projects that are valued from 2.1 to 10.9 cents/lb.

Nevada Exploration Inc. [NGE-TSXV] has developed a new exploration method using groundwater chemistry to deal with the sand and gravel cover over the Nevada bedrock. Several targets have been identified with this technology. At the Fletcher



Rye Patch Geologist Radu Conelea supervises drilling at the Wilco gold-silver project located 100 miles northeast of Reno, Nevada. Photo courtesy Rye Patch Gold Corp.

Junction property in the Walker Lane Gold Trend, follow-up ground-water, vegetation, and soil sampling have returned anomalous gold. Other projects include the Hot Pot Project, a J/V with Int'l Enxco in the Battle Mountain-Eureka Gold Trend and the Bull Creek Project. In June, **Northgate Minerals Corp.** [NGX-TSX, NXG-NYSE Amex] signed a J/V agreement with Nevada Exploration on its Awakening Gold Project in Humboldt County. Northgate can earn a 51% interest.

Nevada Sunrise Gold Corp. [NEV-TSXV] is working with **Animas Resources Ltd.** [ANI-TSXV] on the Golden Arrow Project 60 km east of Tonopah. A NI 43-101 resource estimate states there are 6.7 million oxidized tons grading 0.019 oz gold/ton gold and 5.4 million unoxidized tons grading 0.031 oz/ton measured/inferred. Drilling is under way.

Newmont Mining Corp. [NMC-TSX; NEM-NYSE] has 14 open-pit and four underground mines and 14 processing facilities. This year it will produce about 1.6 million oz gold at a cash cost of about \$590/oz. Its operations also produce silver and copper. Mines include the Leeville Mine, Midas, Phoenix, Turquoise Ridge and Twin Creeks. The Leeville Mine began production in 2006. The Gold Quarry Mine is Newmont's largest open pit.

Paramount Gold and Silver Corp. [PZG-TSX, NYSE, Amex; PG6-Frankfurt] and X-Cal Resources Ltd. merged in June. X-Cal has developed a NI 43-101 gold and silver resource at its 100%-owned Sleeper Gold Project in Humboldt County. It announced a \$3 million exploration program to expand and upgrade resources. An eight-hole drill program is planned for the West Wood target in the southwest corner of the Sleeper pit. The past-producing Sleeper Mine has a NI 43-101 indicated resource of 49.2 million tonnes averaging 0.36 grams gold/tonne.

Quaterra Resources Inc. [QTA-TSXV] has been exploring its 100%-owned MacArthur Copper Project near Yerrington. New drill results have confirmed the continuity of acid-soluble copper mineralization between the MacArthur pit and the Gallagher area, a distance of 12,000 feet. Hole QM-144, drilled in the section just west of the MacArthur pit, intercepted 110 feet of 0.29% copper at a depth of 115 feet. Results of primary sulphide mineralization in the Northwest area include hole QM-123 with 0.26% copper over a thickness of 70 feet at a depth of

405 feet.

Rye Patch Gold Corp. [RPM-TSXV] is exploring more than 85 square km in key mineral districts of Nevada. Its primary asset is the advanced-stage Wilco Project, where drilling continues to upgrade an expanding gold and silver inventory. Results from spring drilling outlined a high-grade zone of about 100 by 200 metres. Highlights include hole WR 105 which intercepted 32 metres of 0.93 grams gold/tonne and 11.2 grams silver/tonne. Two other advanced projects, Jessup and Lincoln Hill, together with the Wilco have an updated NI 43-101 measured/indicated resource of 986,000 oz gold, 9.83 million oz silver and inferred resources of 2.1 million oz gold and 30.5 million oz silver. Grades range from 0.41 to 0.69 grams gold/tonne and 4.5 to 17.1 grams silver/tonner. Rye Patch controls the majority of the Oreana Trend northeast of Reno and is positioned to take advantage of the Nevada resource consolidation.

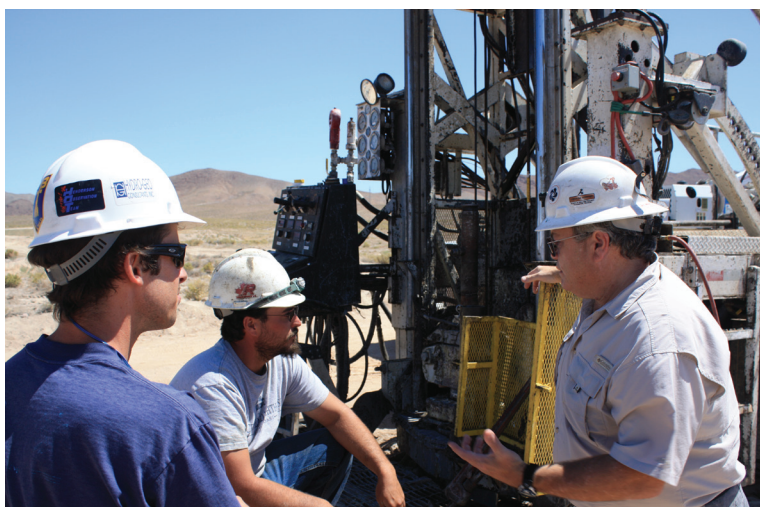
Rodinia Lithium Inc. [RM-TSXV] has 50,000 acres in the Clayton Valley midway between Las Vegas and Reno. It is well positioned, surrounding the Chemetall lithium production facility in Silver Peak. It received positive results earlier in 2010 for an initial three-hole RC program. Drill hole SPD-09 returned 370 mg/l of lithium and 6,800 mg/l potassium over 30 metres. This mineralized aquifer was intersected also by SPD-08 spaced 2.3 km distant. Drilling for a third phase is planned for up to 72 holes to focus on increasing the potential of this aquifer and extending known Silver Peak aquifers.

Royal Standard Minerals Inc. [RYSMF-OTCBB] holds the Goldwedge Project in Nye County. The Goldwedge Project is permitted, a 2,000-foot decline is completed and a 500 TPD mill has been built.

Scorpio Gold Corp. [SGN-TSXV] is bringing into production the Mineral Ridge Gold Project in Esmeralda County where it is earning a 100% interest from **Golden Phoenix Minerals Inc.** [GPXM-OTCBB]. The operation is permitted for heap leaching and has measured/indicated resources of 221,000 oz gold and 136,000 oz inferred resources. Mining is planned for 2011.

Stina Resources Ltd. [SQA-TSXV] holds the Bisoni McKay vanadium property in Nye County which has a NI 43-101 indicated resource of 10.6 million tons grading 0.39% V₂O₅. Metallurgical testing and more drilling is planned to upgrade resources.

Terraco Gold Corp. [TEN-TSXV] is exploring the Moonlight Project near Lovelock where the targets consist of breccia hosted and stockwork-related gold-silver miner-



Greg French VP Exploration, far right, with driller, far left, and technical specialist at Nevada Copper's Pumpkin Hollow Copper Project in the Walker Lane mineralized belt of Western Nevada. Photo by Brian O'Hara.

alization hosted by the Rochester rhyolite. Earlier, Cordex conducted ground magnetometer and soil geochemical surveys across part of the gravel covered zone. Terraco has completed additional geophysics, including aero-magnetics and will review all data in order to define the best drill targets.

US Gold Corp. [UXG-TSX] has two projects, Gold Bar and Tonkin, in the Cortez Trend. In March, US Gold released results of a preliminary economic assessment for the Gold Bar Project which hosts 33.5 million tonnes of measured/indicated resources grading 0.905 grams gold/tonne. Mine life would be six years, recovering a total of 345,000 oz gold. Capital costs are \$47 million. The IRR would range from 21% at US \$850/oz gold price up to 60% at \$1,150/oz gold price. The objective is to add resources in order to extend the Gold Bar Mine life. The Tonkin Project has measured/indicated resources of 35.6 million tons averaging 0.041 oz gold/ton.

Victoria Gold Corp. [VIT-TSXV] released results of a preliminary economic assessment at the Helen Zone, at the Cove Project, 32 miles south of Battle Mountain. The Helen Zone has inferred resources of 621,000 tonnes grading 26.4 grams gold/tonne. For a 360 TPD operation, capital costs are \$63.2 million with an IRR ranging from 48% with a US \$900/oz gold price to 75% at a \$1,100/oz gold price. Once an earn-in report

is accepted by Newmont, Victoria can earn a 100% interest or receive 2.5 times exploration costs to date (about \$13 million) from Newmont.

Western Uranium Corp. [WUC-TSXV] has 2,087 claims on their Kings Valley Project almost on the Nevada-Oregon border. It has a NI 43-101 compliant inferred resource of 4.8 million lbs U_3O_8 contained in 3 million tonnes. Drilling is testing a geophysical anomaly.

Western Lithium USA Corp. [WLC-TSXV] is in-fill drilling its Kings Valley lithium property. Pilot-scale testing of battery grade lithium carbonate started in June. According to Jay Chmelauskas, President, "we are focusing our attention on process optimization and cost reduction." ANI43-101 resource estimate was released in May for the Stage II (South) lens consisting of indicated resources of 97 million tonnes grading 0.27% lithium and inferred resources of 47 million tonnes grading 0.20% lithium. In January 2010, a scoping study was released with a resource support for a nominal production of 27,700 TPY of lithium carbonate for about 18 years. Capital costs would be \$427 million with a payback period of about four years with an IRR of 28%. ■