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Firestone Ventures Is About To Update The Market On A Summer Of Steady Progress In Guatemala

By Alastair Ford

If it's been a relatively quiet period in terms of newsflow for Firestone Ventures recently, that's not because there hasn't been a lot going on behind the scenes. Chief executive Lori Walton has been down to Guatemala several times over the summer, supervising exploration in and around the company's Torlon Hill zinc oxide project, and working on maintaining good community relations with the locals. In fact, this year the company's geologists continued to work right through from May till October, when in previous years operations have usually been suspended during that period.

Certainly, with Firestone sitting in pole position over one of the world's greatest, and least explored zinc belts, there's more than enough for company geologists to be getting on with. Firestone holds over 500 square kilometres of ground across a 250 kilometre carbonate belt that stretches almost the entire width of Guatemala. This ground is hugely prospective for zinc-lead-silver deposits, as is more than amply shown by the existence of countless small-scale old mines across the region. And Lori makes no bones about the potential for more. You can find material grading up to 20% or 30% right on surface, she says. The trick is to find enough of it to support a modern mining operation.

Firestone's foremost project, Torlon Hill is delicately poised at the moment. As it stands, with 1.9 million tonnes grading 7.32% zinc, 2.41% lead, and 14.25 grams per tonne silver in measured and indicated oxides, and a further 76,000 tonnes at 3.23% zinc, 2.6% lead and 12.5 grams per tonne silver in measured and indicated sulphides, there's probably enough to support a small, standalone operation. The question for the company, though, is whether to press ahead with that option, or whether to shoot for the more attractive 10 million tonne targets that Lori reckons there's potential for across Firestone's ground. Or both.

Some shareholders, certainly, would like the company to move rapidly towards economic studies at Torlon Hill. That's in hand, says Lori, but there's a fair bit of work to be done yet, before she can press the go button on a preliminary economic assessment. Firstly, there's the question of the process route. Firestone's been in talks with a number of parties regarding the relevant technology for processing the ore at Torlon Hill, including London-listed [Alexander Mining](#), which owns its own, as-yet untried proprietary ammonia leaching technology. Given that Torlon Hill is actually a fairly straightforward oxide deposit, it might make good sense for Alexander to cut a deal with Firestone and use Torlon Hill as a testing or proving ground for its technology.

But nothing's been signed yet, and both Firestone and Alexander have other options on the table: Alexander's got a potential company-making deal down in the Democratic Republic of Congo, while Firestone's in talks with other potential partners, and has the already completed metallurgical testwork of SGS LaKefield and Electrometals Canada as points of departure for further studies.

In addition to further work on the processing side, Lori would also like to build up the resource at Torlon Hill as much as she possibly can, before she starts to consider the question of the economics. "I think we could manage to squeeze another 500,000 tonnes out of it", she says. At that point, talks with a potential development partner might start to gather momentum, and once those look like bearing fruit it'll be worth sitting down and taking a close look at the preliminary economics.

In the meantime, the search for the larger 10 million tonne deposits on the Guatemala ground will continue, while the company will also look to make progress with its Nevada exploration ground. Here, the Antelope zinc-lead-silver project continues to show early promise, including from chip samples grading between 22.3% and 32% lead and 1.51% and 3% lead. Lori's enthusiastic about the long-term potential of the Nevada ground, pointing out that there's been a huge amount of exploration on the carbonates there, as gold companies continue to enjoy the gold prospectivity of the Carlin Trend. When they find zinc, it's of no interest. Or at least not to the gold companies. Firestone, on the other hand, has emerged as a zinc specialist, and would be only too happy to Hoover up any zinc discoveries that get discarded by those on the hunt for gold. In its favour, says Lori, Nevada has no people. Against, it's remote. But ultimately all will depend on the mineralisation, and as far as that goes, it's early days.

A full corporate update on recent Firestone progress will come out in a couple of weeks, according to Lori, part of a drive to revitalise interest on the market, which has been ebbing away over recent months. If Firestone's shares do tick up as a result of the efforts of Lori, and her chief financial officer Greg Hayes, then the raft of the out-of-the-money warrants that are out there at the moment could get exercised, easing any concerns over funding, or further dilution. At the moment, Firestone has C\$1.2 million in the bank. With the exercise of its warrants, the bulk of which are up on March 5th at C\$0.20, approximately C\$2.2 million in additional money would come into the company. But with the shares hovering at around the C\$0.10 mark, there's some way to go on that score.

Still, one of Lori's key meetings during her recent visit to London was with investment group Anglo Pacific. Those boys are well respected in London, and have been very discerning about what goes into and what stays out of their portfolio over the years. Firestone is in, and if it can get supporters of that sort of calibre on board, it may find it easy to gain traction on the market, with a bit of concerted effort.