

Prince George Citizen

Exploration identifies promising area

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Serengeti Resources and partner Fjordland's exploration efforts have defined a high-priority drill target located near Terrane Metals' Mount Milligan copper-gold deposit.

The site, 15 kilometres southwest of the Mount Milligan deposit, where Terrane has proposed building a \$917-million mine, is within two kilometres of a major resource road.

The target area is one of six that Serengeti and Fjordland pinpointed as part of a joint venture to explore for precious and base metals in a 950-square-kilometre area in British Columbia's Northern Interior.

The exploration area lies within the Quesnel Terrane, an area that stretches from the B.C.-U.S border to northern B.C.

While the area has already produced mines -- including Mount Polley and Kemess South -- it also includes areas in north-central B.C. that have not been highly explored because of extensive deposits of rocks, sand and gravel from the last ice age. It makes the mineralization more difficult to detect below ground as there are no natural outcroppings or visible mineralization.

Serengeti Resources president and CEO Dave Moore said as a result of pinpointing the target near Mount Milligan, and knowing it was an area with a lot of glacial till, they set up their equipment to look deeper into the ground. They found a target measuring about 1,500 metres by 1,000 metres believed to be about 75 metres to 100 metres below the surface.

"We've developed this really dandy target," Moore said Wednesday. "It looks like for the first time, we're seeing through this rather thick cover."

The two companies have applied for a drill permit from the provincial government to further determine if there is gold or copper in the target.

The companies started with overview survey information from Geoscience B.C., added to it with their own aerial survey and followed up on-the-ground work to locate possible ore bodies. Combing that information with soil geochemical surveys available in government open files, they pinpointed the target near Mount Milligan. The drilling will bring up actual core samples from beneath the surface. "This is typical of what we do -- pick up prospective ground, then pull in all of the prior work," noted Moore.

Serengeti Resources Inc., a Vancouver-based company, recently made a new gold discovery in B.C.'s Northern Interior, north of Fort St. James. That discovery was also far below surface, in that case, right below a resource road.

The Kwanika discovery -- about 250 kilometres northwest of Prince George -- set Serengeti's stock soaring, and enabled the company to raise more than \$25 million to carry out additional drilling and exploration.

Geoscience B.C. president Lyn Anglin said Serengeti's success in pinpointing this latest target is exactly what was hoped for when the agency launched its large-scale aerial surveys. The agency also collected earlier exploration work including soil sampling and made it available. Geoscience, created with \$20 million in seed money from the B.C. government, hoped the survey data would give mineral exploration companies the framework to zero in more specifically on areas of interest.

The first program created a significant amount of interest with about 850,000 hectares of land being claimed by companies through the province's new on-line staking system.

"We're still obviously a long ways off from knowing whether there is anything of value (in Serengeti's new target) but these are the steps we were hoping to see companies take: using the data and then following up with their own work," said Anglin. "This is text book."

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