

News Release Communiqué



Ministry of
Northern Development
and Mines

Ministère du
Développement du Nord
et des Mines

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ONTARIO INVESTS \$5 MILLION TO STIMULATE MINING AND MINERAL EXPLORATION IN NORTHEASTERN ONTARIO

TORONTO – The Ernie Eves government will invest \$4,990,000 in several activities of the Discover Abitibi Geoscience Project that will strengthen applied research and development capacity as well as stimulate mineral exploration in the Timmins and Kirkland Lake area. The announcement was made today by Jim Wilson, Minister of Northern Development and Mines and Chair of the Northern Ontario Heritage Fund Corporation (NOHFC), at the annual convention of the Prospectors and Developers Association of Canada (PDAC).

“The benefits of this partnership will reverberate across many sectors of the area economy and beyond, particularly in this region of Ontario, which is highly dependent on the mining industry,” said Wilson. “It builds on the strengths of our government’s previous investments, as well as policy and fiscal initiatives that support mineral exploration in Ontario. It also reaffirms our province’s standing among the world’s most inviting jurisdictions for mineral exploration investment.”

Discover Abitibi is a technical collaboration among the private sector mineral industry, the local community, the Geological Survey of Canada and the Ontario Geological Survey. It was established two years ago to implement a number of technical projects that will introduce new technologies and applications to enhance mineral exploration and discovery in the region. The data developed from the various project components will be released to the mining industry, mining organizations and government.

“These projects are expected to generate significant economic activity in the immediate and long term,” said Timmins Economic Development Corporation Chair Dave McGirr. “The new geoscience information and technological applications derived from this initiative will re-energize the mineral exploration sector, generate new interest and attract investment that will bring new jobs to Northeastern Ontario. We thank the Ernie Eves government for this funding and its ongoing commitment to actively promote Ontario’s mineral potential to the world.”

“The Ontario government, through the Northern Ontario Heritage Fund has supported a number of mining and mineral exploration initiatives that clearly demonstrate our government’s understanding of the fundamental economic role the sector continues to play in the North and across Ontario,” said Wilson. “These projects will generate new knowledge and expertise that will be showcased to other Canadian and international markets and continue to make Ontario the proving ground for sustaining a strong mining sector in the 21st century.”

Since October 1996, the Ontario government, through the NOHFC, has contributed more than \$460 million to some 1,280 projects, generating an additional \$1 billion from project partners. These projects have created an estimated 16,410 jobs in Northern Ontario.

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Backgrounder Renseignements



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ONTARIO MAKES \$5 MILLION INVESTMENT IN DISCOVER ABITIBI GEOSCIENCE PROJECT

The Northern Ontario Heritage Fund Corporation (NOHFC) assists northern communities to generate short- and long-term employment important to their economic viability and the quality of life. The Fund has been redesigned to reflect the changing nature of the North and the world economy.

Northern Development and Mines Minister and NOHFC Chair Jim Wilson today announced an investment of \$4,990,000 in the Discover Abitibi Geoscience Project. The announcement was made at the annual convention of the Prospectors and Developers Association of Canada (PDAC) in Toronto.

The Discover Abitibi Geoscience Project is managed by the Timmins Economic Development Corporation (TEDC). A technical committee makes recommendations to a management committee, composed of representatives from the mining sector, including operating mines, junior exploration companies and individual prospectors, which reports to the TEDC. Support from the Ontario Geological Survey (OGS) and the federal government is also provided. Since its launch, Discover Abitibi has completed a Geological Information Systems (GIS) compilation project (released in April 2002) and an airborne geophysical survey (released in December 2002). The key objective of the Discover Abitibi project is to attract investment in the Western Abitibi Region by addressing knowledge gaps and furthering deep search techniques that will lead to new mineral discoveries.

The project will produce high quality geoscientific data that meet the needs of the mineral industry. This information will foster mineral exploration that is more efficient and effective, generating short-term economic stimulus through increased staking of mineral claims, as well as medium- and long-term mineral exploration that could lead to the discovery of new mineral deposits.

Funding announced today by the Northern Ontario Heritage Fund will be directed toward a number of projects:

Atlas of Geoscience Profiles - to develop a set of tools by testing a series of new technologies or survey configurations over a number of known mineralized systems. The evaluation would demonstrate the effectiveness of each survey in mapping bedrock and/or defining targets beneath typical Abitibi overburden. The geological section would form an integral part of the data set and would include alteration, litho geochemistry, physical properties and structural interpretation. This “in one location” set of parameters would provide the exploration community with a better understanding of which methods are most effective in their area of concern.

MegaTem II Surveys (Kidd-Munro; Blake River Basin; Halliday Dome and Jessop-Murphy-Jamieson) - to upgrade airborne coverage in the Kidd-Munro area north of Kirkland Lake, the Blake River Basin, the Halliday Dome area south of Timmins and the Kamiskotia area west of Timmins. These surveys will provide better resolution and detection of economic base and precious metal deposits with deeper levels of penetration. The surveys will utilize this most advanced Airborne Time Domain Electromagnetic and Magnetic Survey System to identify new and deeper targets.

Integrated GIS and Database Compilations - to provide the exploration community and other stakeholders with a comprehensive atlas of digital geoscience data and tools to help make sound exploration decisions. This proposal will gather valuable data for the entire Abitibi region. Application of these technologies will lead to increased exploration, especially in traditionally hard to explore areas such as the overburden covered terrain commonly found in many parts of Abitibi. This proposal will result in the compilation and rapid publication of additional geoscience data already in digital form, conversion of valuable analogue databases (litho geochemistry, surface diamond drill holes) to digital form and GIS modeling to produce integrated map/compact disc products for use by the exploration industry.

Architecture of the Abitibi Greenstone Belt - to stimulate gold and base metal exploration in the Timmins/Kirkland Lake region of the Abitibi greenstone belt. The objectives are to better understand the geological architecture of the region, to answer fundamental questions about the localization and genesis of gold and base metal mineralization, and to develop new geological tools to make future exploration more effective, thereby reducing exploration risk, especially in poorly exposed areas.

Reprocessing Airborne Electromagnetic using Advanced Software - to reprocess airborne surveys previously flown under the Ontario government’s *Operation Treasure Hunt* (OTH) program to maximize their use. In addition, aeromagnetics data would be processed to help focus on the more important anomalies and help explorationists focus on higher priority targets.

Seismic Survey - to aid in the evaluation of the architecture of the greenstone belt in the Timmins and Kirkland Lake region. The survey will provide a better understanding of the mineralized structures that host or are intimately associated with the gold deposits in the area. The results will help focus exploration expenditures on the important structure.

3D Modeling of Deposits - to enter into digital format drill-hole information and other data for all mines and mineral properties along the sediment-intrusive corridors from Matachewan to the Quebec border, and from Denton Township to the Quebec border. The resultant GIS database could then be used to obtain a three-dimensional image of the gold-bearing structures in the area, allowing explorationists to focus on the more important structures.

High Resolution Magnetic Surveys (Matheson; Round Lake; Kirkland Lake; Lake Abitibi-New Gold Camp) - high resolution airborne magnetometer surveys in the Matheson area, the Round Lake area southwest of Kirkland Lake, the Kirkland Lake area and the Lake Abitibi area will provide very detailed magnetic data for the areas proposed. Gold deposits and base metal deposits are associated with fault zones and subtle changes in rock properties associated with hydrothermal alteration. These surveys will provide the data intensity necessary to detect the potential ore bearing systems.

Regional Gravity Extensions in Two Areas (Timmins and Nighthawk Lake to Quebec Border) – a gravity survey in the Timmins area and from Nighthawk Lake to the Quebec border will help detect fault zones and help identify areas where the gravity is higher than normal and could indicate mineralization or deposits.

Lamprophyre Dyke Sampling – to investigate the diamondiferous potential of the lamprophyres in the Kirkland Lake region. Preliminary observations from analytical results indicate the lamprophyre dykes in Kirkland Lake-Cobalt area are similar to those found in Wawa and warrant further investigation for diamond potential.

Kimberlite Geochemistry – MMI Kirkland Lake to Cobalt - Kimberlites in the Kirkland Lake-Cobalt area will be profiled using Mobile Metal Ions (MMI) geochemistry to measure the effectiveness of the technique in evaluating kimberlites rapidly, possibly leading to the development of a method that makes kimberlite exploration more effective and efficient.

3D Modeling of Thick Drift Cover North of Timmins – to undertake a survey that will produce a three dimensional model of the distribution and thickness of the overburden cover in the heavily drift covered area north of Timmins. Project outcomes will include a surficial geology map of the area; an update of the overburden drill-hole database; a three-dimensional model of the subsurface distribution; an analytical model of the influence of the clay-rich sediment thickness on airborne electromagnetic signatures of bedrock; identification of new exploration targets using modeled data; and a glacial dispersal model that will allow for anomaly strengths to correlate to overburden depths to better determine the anomaly quality.

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