

The Northern Miner

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Tamerlane to revive Pine Point mine

Vancouver - **Tamerlane Ventures** (TAM-V) is poised to develop a new mine on the site of the most successful Canadian base metals mine in history with a positive feasibility study and updated reserve and resource estimates from the Pine Point project in the Northwest Territories.

The new Pine Point project encompasses the site of the old Cominco Pine Point mine, which extracted over 64,259,570 tonnes of ore at a grade of 7.0% zinc and 3.1% lead between 1964 and 1987 to make it the largest and most profitable zinc-lead mine in Canadian history. In the new project, Tamerlane plans to focus on developing the R-190 deposit underground mine, then use the R-190 infrastructure to access a series of nearby deposits that have just been upgraded to indicated resources.

The R-190 deposit holds proven reserves of 1 million tonnes grading 11.16% zinc and 5.49% lead with a 5% zinc cut-off. Five additional deposits, which were not included in the feasibility study, contain indicated resources estimated at 10.9 million tonnes averaging 4.69% zinc and 2.43% lead. Historic resources point to another 51 million tonnes grading 3.8% zinc and 1.2% lead but Tamerlane has not updated these deposits to NI 43-101 standards as yet.

The 100%-owned Pine Point property sits on the south side of Great Slave Lake. Plans call for an underground, year-round mine utilizing a freeze perimeter to control groundwater, a vertical shaft and a vertical conveyor to hoist ore to the surface, mechanized longhole stoping, and dense media separation with flotation to upgrade the zinc and lead concentrates.

Geologically, Pine Point is part of the Western Canada Sedimentary Basin and its deposits occur in mid-Devonian carbonate barrier complex as Mississippi Valley-type lead-zinc deposits. Karsting gave rise to three northeast-trending zones parallel to the strike of the barrier complex, and the resulting karst cavities host the mineralization.

The freeze curtain, a frozen ring of ice surrounding the entire R-190 deposit and underground infrastructure, will extend to a depth of 185 metres in order to prevent water from the aquifer from entering the underground workings. A primary crusher at the bottom of the shaft will size ore to less than 4-inch diameter before entering the vertical conveyor, which will lift material at a rate of 160 tonnes per hour. Almost all waste will be returned underground to be used as backfill, eliminating the need for permanent tailings dams.

A highway passes within 500 metres of the project. Concentrate from the mine will be trucked to Hay River, 43 km away, and then loaded onto railcars. The project will be powered via hydroelectricity.

Construction is expected to take 12 to 15 months. Mining out the R-190 deposit will take the next 12 to 15 months, at which point Tamerlane will develop drifts to access the other deposits.

The total estimated capital cost of construction, including a 10% contingency fund, is \$93.3 million. Initial working capital for the first 90 days of production will be roughly \$33.9 million. In regular production, operating costs are expected to run at \$53.29 per tonne mined, or \$0.20 per payable pound of metal (total lead and zinc).

Using metal prices over the past two and three year periods averaged equally with the 15 month LME futures price, net cash flow is estimated at \$52.7 million. Net cash flow increases to \$93.1 million using 15 month LME contract prices. Using cash metal prices from market open on August 21, 2007, net cash flow goes up to \$115.4 million.

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