

SEPTEMBER 2005

In September 2005, 792 new claims were staked; 523 in Labrador and 269 on the Island. At the end of September, the staking total for 2005 was 19,177; 13,663 in Labrador and 5,514 on the Island; and the number of claims in good standing at month's end was 70,245.

Numbered crosses relate to the property locations on the accompanying map.

- ✖1 On September 1, **Freeport Resource Inc.** released an update on its 23-claim, Notakwanon nickel property in northern Labrador. Assays are pending for the summer rock-sampling program and an interpretation of a geophysical report on an adjacent property (see May 2) has been commissioned.
- ✖2 Also on September 1, **Sino Pacific Development Ltd.** updated the first phase of exploration on its Burtons Pond copper-gold property on the Baie Verte Peninsula. Reconnaissance prospecting and sampling was reported previously (see August 10) and induced polarization ground geophysics has also been completed. Diamond drilling is planned for early September.

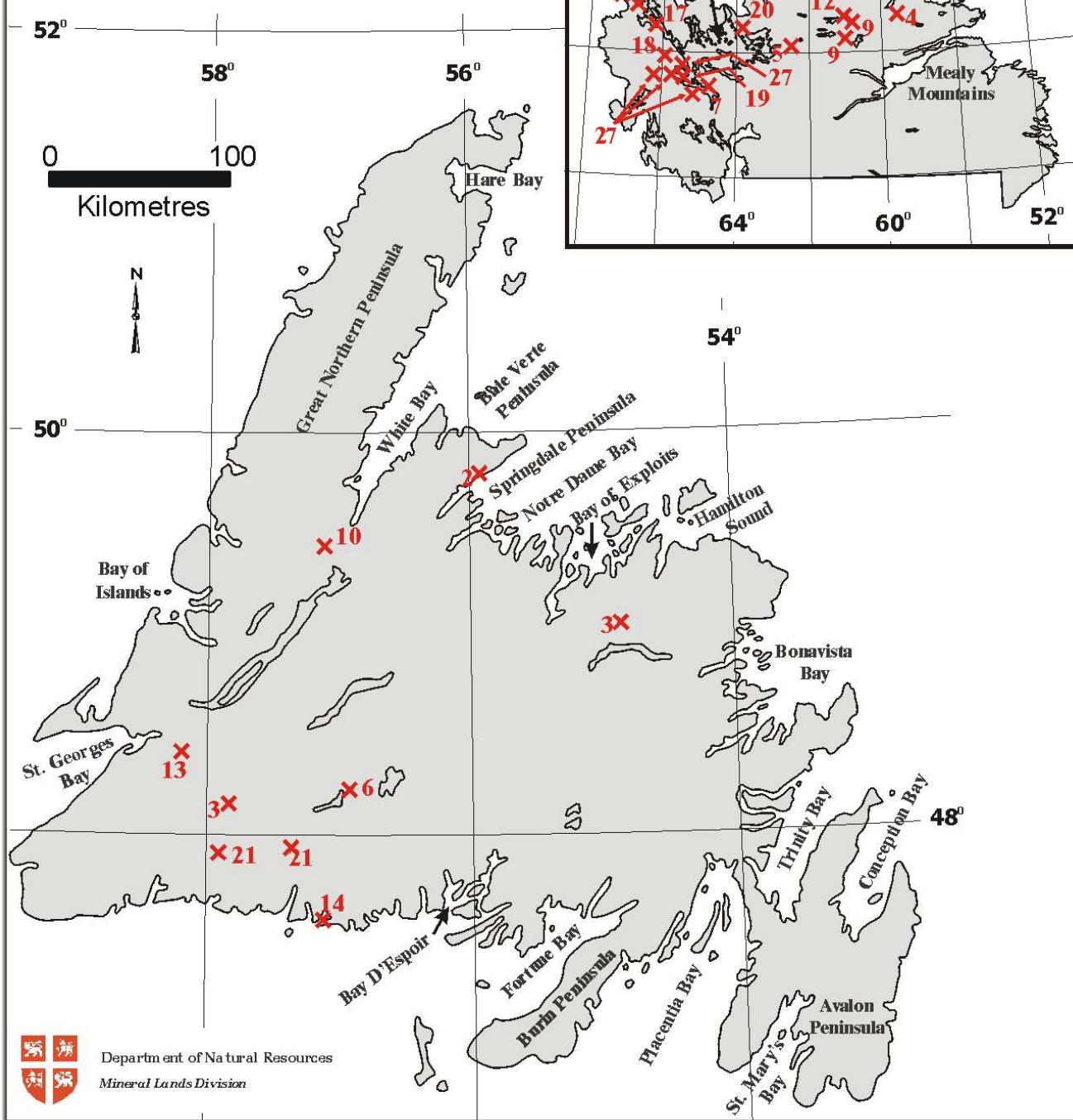
A part of the property is under option from **Buchans River Ltd.** (see July 10).

- ✖3 As well on September 1, **Candente Resource Corp.** announced that **Goldcorp Inc.** had withdrawn from its options on the 50-claim, northeast Newfoundland, Linear, and 196-claim, southwestern Newfoundland, Staghorn, gold properties. As a result, Candente Resource Corp. is also to relinquish its underlying option from **KriASK Syndicate** on the Linear property: Candente Resource Corp. is to maintain its option from prospectors **Edwin Northcott** and **Gilbert Lushman** on the Staghorn property but is to refocus its attention towards base metals (see May 30).
- ✖4 On September 6, **Fronteer Development Group Inc.** announced that diamond drilling had commenced at the Otter Lake targets on its Central Mineral Belt, uranium, joint venture with **Altius Resources Inc.**, located in east-central Labrador. The diamond drilling will consist of approximately 4,000 m in 15 holes and is part of a larger, approximately 13,000-m, 40-hole, diamond-drilling program being conducted by Aurora Energy Inc. on the main, 3,192-claim, Central Mineral Belt property (see August 15).

Otter Lake is the largest undrilled, radiometric anomaly on this Central Mineral Belt property and is characterized by uranium-bearing bedrock separated by broad areas of till, abundant uraniferous float and “hot spots” in the radiometric geophysical data. Analyses are pending for 500 of 606 boulders measured and sampled to date. Diamond drilling has started at Otter South, from which historical trenching returned up to 2.1% U_3O_8 over 1 m.

Newfoundland and Labrador Mineral Exploration Programs (see text)

September 2005



Department of Natural Resources
Mineral Lands Division

✖2 On September 7, **Sino Pacific Development Ltd.** announced that diamond drilling had commenced (see above) on its Burtons Pond, earn-in, copper–gold option from **Buchans River Ltd.** (see November 30, 2004). The initial six diamond drillholes will test the extensions of the Burtons Pond prospect itself, a 150-m-long x 125-m-deep zone of mineralization delineated by Rio Tinto Canada Exploration (Riocanex) in 1984-1986 (see August 10). This zone returned diamond-drill intercepts by Riocanex of 1.26% copper, 13.36 g/mt silver and 2.93 g/mt gold over 3.21 m and by Granges Exploration Ltd. of 0.58% copper and 1.273 g/mt gold over 23.77 m (> 20 m true thickness).

The first two diamond drillholes will check the historic intersections; the remaining diamond drillholes will test other parts of the zone, which has now been traced for 250 m at surface. Preliminary interpretations of the ground geophysical survey (see above), indicate the potential to extend the prospect, along strike, for an additional 350 m to the north.

✖5 Also on September 7, **10565 Nfld. Inc.** staked 20 claims in two properties over alkaline volcanic and plutonic rocks in the Central Mineral Belt of central Labrador. The claims cover the niobium, thorium, rare-earth-metal, zircon, beryllium and zinc potential of the intrusive rocks.

Nine grab samples from the northern property graded from 0.12% to 0.63% Nb_2O_5 . The southern property returned assays of up to 13.36% ZrO_2 , 1.8% yttrium and 0.922% rare earths from eudialyte (calcium–sodium–zirconium silicate) concentrates and grab samples graded up to 2.56% total rare earths. This mineralization was discovered by Kennco Exploration Ltd. and Frobisher Ltd. in 1956 and 1957, respectively.

✖6 On September 8, **Playfair Mining Ltd.** staked 166 claims for tungsten in the Granite Lake area of south-central Newfoundland. The claims overlie middle Paleozoic granitoid rocks.

✖7 Also on September 8, **Ed Montague** staked 14 claims near Churchill Falls in western Labrador. Ed Montague now holds 42 claims in three properties covering the nickel–copper–platinum-group-metal potential of the Mount Fyne pluton; a layered, olivine-bearing member of the Shabogamo Intrusive Suite (cp. ✖27).

✖8 As well on September 8, **New Millennium Capital Corp.** announced that it is to raise \$3.5 million to \$7.0 million in order to finance the next phase of development at its LabMag Iron Ore Project in western Labrador. The proceeds will fund the remaining 2005 diamond-drilling and bulk-sampling programs, as well as pre-feasibility engineering studies.

✖9 In addition on September 8, **Crosshair Exploration & Mining Corp.** issued an update on its central Labrador, 2,445-claim, Moran Lake, uranium and iron-ore–copper–gold property exploration program. Initial results from an ongoing airborne geophysical survey (see June 22) are being followed by fieldwork, and planning of a 1,000-m to 2,000-m, diamond-drilling program designed to upgrade the uranium resource at the Moran “C” Zone is underway.

✖10 Furthermore on September 8, Cabo Mining Enterprises Corp. announced that its subsidiary, Petro Drilling Company Limited of Springdale, Newfoundland, had won the diamond-drilling contract for the Rocky Brook, uranium-project joint venture between **Altius Resources Inc.** and **JNR Resources Inc.** in western Newfoundland (see August 17).

✖11 On September 9, **Vulcan Minerals Inc.** reported results of a diamond-drilling program by earn-in partner and project operator, **Nortec Ventures Corp.**, on its 121-claim, TL nickel-copper-cobalt property in northern Labrador. The diamond drilling consisted of 2,300 m in 14 holes on five geophysical and/or geological targets.

At the Pond Zone, intersections of up to 40% sulphide assayed 0.84% nickel, 0.37% copper and 0.023% cobalt over 8.3 m and 1.09% nickel, 0.48% copper and 0.03% cobalt over 6 m, including 0.7 m of 2.19% nickel and 0.35% copper. A second diamond drillhole at the Pond Zone and one at the Goose Feather Anomaly also returned strongly anomalous nickel. The hosts to the mineralization are leopard-textured olivine gabbro. Most conductors in the remaining diamond drillholes consisted of graphitic schist.

✖12 Also on September 9, **10565 Nfld Inc.** staked 13 claims in northeast-central Labrador for uranium. The claims overlie basement gneiss of the Nain Province.

✖13 As well on September 9, **Mike Stares** staked an additional nine claims at the Nita's Brook, copper-silver-gold property option to **Benton Resources Corp.** (see July 27). Mike Stares (203 claims), **Vance W. Green** (26 claims) and **Derek R. White** (18 claims) hold ground at the property. Benton Resources Corp. recently completed an airborne geophysical survey over the property (see August 15).

✖14 On September 12, **Playfair Mining Ltd.** reported that the initial phase of fieldwork on its 74-claim, Grey River tungsten property, located on Newfoundland's south coast, had been completed (see August 10). The main occurrences found during work by American Smelting and Refining Company (see October 28, 2004) were re-sampled and 40 channel samples were collected from its cleaned-out trenches. Assays of these samples are in progress and a bulk sample has been shipped for metallurgical testing.

✖15 On September 14, **Celtic Minerals Ltd.** announced that a ground geophysical survey had commenced on its 451-claim, West Voisey's Bay nickel property in northern Labrador (see July 12 and August 4). The geophysical survey will cover most of the property and will consist of deep-penetrating audio-magnetotellurics. This type of survey was successful in detecting the deeper mineralization at the Voisey's Bay deposits.

On September 15, **Celtic Minerals Ltd.** staked an additional 309 claims abutting the western margin of its West Voisey's Bay property. The property now consists of 760 claims.

- ✖16 Also on September 15, **Fenton Scott** staked 22 claims at Schefferville in western Labrador for iron ore. The claims are adjacent to 13 claims held by **Graeme Scott**. Fenton Scott (33 claims) and Graeme Scott hold 48 claims in four properties in the immediate vicinity of Schefferville and Fenton Scott holds an additional 18 claims in two properties approximately 10 km and 15 km to the south-southeast.
- ✖17 As well on September 15, **Energold Minerals Inc.** staked an additional 32 claims at the Astray Lake property in western Labrador for iron ore. Energold Minerals Inc. now holds 46 claims in this property.
- ✖16 On September 17, **New Millennium Capital Corp.** staked an additional 52 claims near Schefferville in western Labrador. New Millennium Capital Corp. now holds 101 claims in this property. The claims cover iron-ore potential and are a part of its LabMag Iron Ore Project (see above).
- ✖8 Also on September 17, **New Millennium Capital Corp.** staked an additional four claims at the Pinette Lake, iron-ore property, in western Labrador, where the company now holds 76 claims. The Pinette Lake property is centred approximately eight km to the east of the main, 473-claim New Millennium Capital Corp. - LabMag Limited Partnership property (see May 20 and July 14).
- 18-19 On September 19, **Consolidated Abaddon Resources Inc.** announced that follow-up fieldwork to the airborne geophysical survey (see July 20) had commenced on its 176-claim, Sims Lake (✖18), and 406-claim, Gabbro Lake (✖19), properties. Eleven priority radiometric anomalies, identified by the airborne survey, will be prospected, sampled and, locally, surveyed with ground geophysics. As well, conductors identified by the airborne survey, will be investigated for their base-metal potential as a part of Consolidated Abaddon Resources Inc.'s earn-in option to the **Gallery Resources Limited - BHP Billiton Diamonds Inc.** partnership (see August 10).
- ✖20 On September 22, **Altius Resources Inc.** announced that geological mapping and ground geophysical surveys had been completed on its 1,771-claim, Michikamau nickel property in west-central Labrador (see May 9) and that diamond drilling would commence later that month. Altius Resources Inc. is operator of the exploration program on the property, which is under earn-in option to **Teck Cominco Limited** (see August 4, 2004).
- ✖21 Also on September 22, **Commander Resources Ltd.** announced that phase two of the exploration program on its two southern Newfoundland, uranium properties had commenced. Phase two will consist of basal till sampling and a trenching program. Phase one results were reported on July 12 and on August 18.

22-26 On September 28, **Cornerstone Resources Inc.** issued updates on its northern Labrador projects. All five of the properties contain olivine-bearing rocks (troctolite affinity) and are interpreted to have nickel–copper–cobalt, magmatic-sulphide potential similar to the troctolitic rocks at Voisey's Bay.

Fieldwork (prospecting, mapping and sampling) has been completed on four projects; namely, the 35-claim, Kauk property (see June 28; **X22**), the 72-claim, Okak property (see August 9; **X23**), the 80-claim, Notakwanon property (see August 24; **X24**) and the two-property (150 and 60 claims), Garland project (see May 2 and August 24; **X25**). Cornerstone Resources Inc. staked an additional 30 claims at the Kauk property on September 28 and now holds title to 65 claims in this property.

Nickel–copper mineralization is widespread on the Okak property. Grab samples, collected by Castle Rock Exploration in 1995 at the OKG prospect, assayed up to 1.78% nickel, 1.44% copper and 0.21% cobalt and diamond drilling from nearby, by Golden Trump Resources in 1996, intersected up to 1.98% nickel, 1.03% copper and 0.16% cobalt over 2.28 m.

As well, Cornerstone Resources Inc. and joint-venture partner **Falconbridge Limited** (see August 9 and 10, 2004) completed additional ground follow-up of electromagnetic anomalies delineated by an airborne geophysical survey (see September 14 and November 10, 2004) on their Konrad project (**X26**). The anomalies are interpreted to relate to sulphide-bearing gneiss.

X27 Also on September 28, **Gallery Resources Limited** announced that the Gallery Resources Limited / **BHP Billiton Diamonds Inc.** partnership is conducting ground follow-up of anomalies, identified by airborne geophysical surveys on the Sims Lake (**X18**) and Gabbro Lake (**X19**) properties (see July 20) under an option from **Consolidated Abaddon Resources Inc.** (see August 10). The anomalies are interpreted to indicate the presence of Shabogamo Intrusive Suite gabbro sills, which have nickel–copper–cobalt potential. Gallery Resources Limited will also investigate electromagnetic anomalies on the partnership's own, adjacent, property.