

Going for Gold

Explor Resources continues to hit milestones in its exploration of Canada's Abitibi Greenstone Belt.

The Abitibi Greenstone Belt is embedded with large gold and copper-zinc ore deposits, Explor says.



[BY JAMIE MORGAN]

When Chris Dupont took over as president and director of Explor Resources five years ago, he implemented a bold change to bring the previously fairly stagnant operation into an oppor-

tunity to strike gold. Dupont moved the junior gold and base metals exploration firm from Western to Eastern Canada, and settled in the Abitibi Greenstone Belt (AGB), a mineralized zone more than 800 kilometers in length and 300

kilometers in width embedded with large gold and copper-zinc ore deposits.

"If you're going to look for elephants, you have to go to elephant country," Dupont says. "In the Abitibi Greenstone Belt, there are some pretty high profile mines that have been discovered." The Hollinger (20 million ounces), the McIntyre (10 million ounces) and the Dome (13 billion ounces), to name a few.

Elephant country lay beneath Timmins, Ontario, a city of 50,000 residents that exemplifies the motto, "The City with a Heart of Gold." Explored since 1927, the Timmins Porcupine West (TPW) Gold property is specifically located in Bristol and Ogden townships in

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// CHRIS DUPONT, president and director

the Porcupine Mining Division within the District of Cochrane. Explor's TPW project includes 3,000 hectares of ground, of which the company completed 30,000 meters of diamond drilling in October 2010. Though it explores land in Quebec, Saskatchewan, and New Brunswick and has another 22,000 hectares in the AGB, currently, TPW is Explor's focus.

"With TPW being the flagship property, a significant portion of our capital is spent there," Dupont says. "About 75 percent of our resources are spent on that property."

Using the Hollinger McIntyre Gold Model, Explor has determined that it

PROFILE

Explor Resources Inc. | www.explorresources.com | Revenues: \$10 million | Headquarters: Rouyn Noranda, Quebec | Specialty: Gold and base metal exploration | Employees at peak: 40

Explor spends about 75 percent of its resources on the Timmins Porcupine West Gold property.



should intersect significant high grade gold on its property. The project is in its advanced stages, and Dupont says that every diamond drill hole has intersected gold value – first at lower grades, 1 to 4 g/tonne but now intersecting grades as high as 56 g/tonne. He expects that significant gold grades will continue to be intersected. In November 2010, Explor reported the results of four drill holes on its TPW property:

- 5.3 grams of gold per tonne over 11.3 meters;
- 8.45 grams of gold per tonne over 5.5 meters;
- 30.6 grams of gold per tonne over 4 meters;
- 9.22 grams of gold per tonne over 11.0 meters.

“I moved the company from Western Canada to the Eastern Canada gold belt because there is potential for elephant-

size discovery and better opportunity to increase shareholder value,” Dupont says. “Since its early exploration days, the AGB belt has produced more than 180 million ounces of gold.”

Explor’s next step for the TPW property is to advance another 30,000 meters of diamond drilling over the next six months. Concurrently, Explor will conduct a downhole IP survey to build a 3-D model of the gold bearing structure to better determine where to drill the diamond drill holes. Explor will use all the data it has compiled to determine the total number of gold ounces it has found on the property to date.

“That will give us an idea of where we are,” Dupont says. “But first, you have to keep on drilling because the more you drill, the more you add to your potential gold resource.”

Seeing the promise of this project, Ex-

plor expanded its Timmin’s property by 60 percent in September 2010. The company has budgeted \$5 million for the project, citing the rise in demand for gold as an indicator it’s on the right investment track. In December 2010 the World Gold Council reported the price of gold rose to \$1,415.25 per ounce and the global demand for gold rose 12 percent in the third quarter of 2010.

As the price and demand for gold continues to rise and Explor keeps drilling on its TPW gold property, it is inevitable that a major exploration company will take notice. Explor is a junior firm with the resources and capabilities to investigate a property’s potential for mining, but not enough to build a major mine.

“When we find the high grades we’re looking for, a major will notice us,” Dupont says. “And then we will negotiate the best deal for the shareholders before handing over the property to that major that has the capital and assets required to build a mine.”

If all goes according to plan, Timmins will soon enter the pre-feasibility stage, in which the company determines if there are enough ounces to warrant a major mining company spending hundreds of millions to build a mine. In the next stage, a third group of mining experts, mechanical, electrical and structural engineers and geologists will determine an exact cost. For now, the company continues to explore, confident it will find what it’s looking for.

“Generally a junior exploration firm purchases a property from a prospector and builds a model on which it will conduct an exploration program.” Dupont says. “If it doesn’t pan out, you drop or return the property to the prospector. But hopefully, you’ve done your homework and the exploration produces significant results that prove the property is significant and will be valuable.” **EMI**