

# Elgin Mining Inc. provides update

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VANCOUVER, Sept. 19, 2011 - [Elgin Mining Inc.](#) ("Elgin Mining" or the "Company") (TSX-V: ELG) is pleased to provide the following corporate update and outline progress and plans for both the Lupin and Ulu Projects in Nunavut, Northern Canada.

## General Corporate Update

Since the appointment of Patrick Downey as President and Chief Executive Officer, the Company has proceeded to relocate operations and administration from Toronto, Ontario, to Vancouver, British Columbia. This is now essentially completed. All data for both the Lupin and Ulu Projects has been obtained from the previous owner and has been integrated into the Elgin system. A new corporate website is being constructed and will be fully functioning by the end of September, 2011.

The Company's objective will be to maintain a strong balance sheet in order to advance the exploration and development of both Lupin and Ulu Projects and to fund its option commitments to Lincoln Mining Corporation with respect to the Oro Cruz and La Bufa gold projects located in California and Mexico, respectively.

## Management Team

Elgin Mining is pleased to announce that Ms. Vivian Park, P. Geo has joined the management team. Ms. Park has extensive experience in the Canadian North, most recently in Yukon. Vivian has also worked at Kinross' Kupol project in Far East Russia and has led exploration teams in British Columbia and in Africa. Ms. Park will be responsible for the planning and execution of the exploration programs at both the Lupin and Ulu Projects.

Jacques Wortman has also joined the Elgin Mining team, as a consultant, on the corporate development side. Jacques' focus will be to assist in the growth and development of the Company and assess opportunities as they arise. Jacques has worked in mining equity research for over 12 years, including almost 10 years as a Mining Analyst at GMP Securities covering small to mid-cap companies, several with key assets based in Nunavut. Most recently, he was Vice President, Corporate Development with a mid-tier gold producer.

## Work Planned at the Lupin Project

The Lupin Project consists of all relevant plant and infrastructure necessary to commence operations, including a 2,300 stpd process plant, tailings storage facilities, powerhouse, camp, 1.8 km airstrip, shops, offices and warehouse facilities. There is also a significant amount of diesel fuel onsite which will be available for exploration activities, including drilling. This will save the Company from having to make significant expenditures in fuel and will facilitate year-round drilling. Over the past three months, the Company has completed all necessary work to winterize the camp to allow year-round exploration. The focus for the Company will be to explore the Lupin claims in order to outline at or near surface deposits within the banded iron formation ("BIF") that could rapidly facilitate re-start of operations, as the Class A water licence is still in force and all necessary infrastructure is in place.

The Company's consultants have completed a detailed review of the historical geophysical program and results for the Lupin Project. This is of particular importance as the previous programs generally focused on the drilling of "highs" delineated from the ground magnetics and Horizontal Loop Electro-Magnetic (HLEM) surveys. However, it has subsequently been shown that the main Lupin outcrop gives a low magnetic response and the gold bearing Lupin West Zone and Occurrence 8 give no response to these surveys. This has been borne out by the significant exploration success at the George Lake and Goose Lake deposits of Sabina Gold and Silver Corporation where major gold bearing zones have been discovered within de-magnetized iron formations.

The review completed to date has identified several key targets, as described below, surrounding the Lupin infrastructure (see attached Map 1).

## **Lupin Outer Ring BIF**

A 2004 geophysical survey on the Boot Lake Dome appears to have detected an outer ring of BIF on its southern edge, clarifying the previous interpretation of the outcrops. This outer ring of BIF was not recognized during the life of the mine. Its surface expression is limited to sporadic patches of sulphide poor and sulphide rich BIF. The outcrops on this "ring" have no recorded sample data or drilling, and the main target is covered. The WZ shear/WZ fault of the main Lupin ore-body is a mineralizing fluid conduit, so this outer ring is considered a high priority drill target.

## **Boot Lake Dome**

The Boot Lake Dome is located about one kilometre north of the main Lupin deposit, adjacent to Boot Lake. It appears to be transected by several possible splays of the Lupin Shear. Early geology maps showed two outboard folded BIF horizons whose outcrop pattern closely paralleled that of the Lupin East Zone-Central Zone-West Zone structure. High-resolution airborne magnetics flown over Boot Lake in 2004 indicated a domal structure dismembered by high strain zones.

The west limb of the Boot Lake Dome lies on an interpreted extension of the Lupin Shear, is analogous to the Lupin West Zone to the south on the same WZ shear, and has never been drilled. The western half of the dome has the highest retrograde chloritic alteration in the Boot Lake area. Most of the limb, estimated to be 450 meters along strike, is under glacial overburden, but sulphides in grab samples were recorded along the strike extent. The best drilling potential at Boot Lake is likely on this west limb and its north nose.

## **Sep Lake Area**

The area around Sep Lake contains strong evidence of intense hydrothermal activity, has returned several surface samples with high-grade mineralization up to 184 g/t Au and also appears to have significant strike extent. Despite this, the interpretation from the 1980's geophysical surveys resulted in no follow-up drilling ever being completed.

The Company has now mobilized crews into the field to complete the following work prior to the commencement of drilling.

- Detailed ground magnetic and HLEM surveys of all identified targets. This will provide significantly better resolution than historic data and better define the BIF, structure and variations in magnetism allowing much more detailed drill targeting.

- Detailed sampling and mapping of the targets. Although there is significant mapping and sampling data available, much of this was completed in the 1960's by INCO. The plan for this program will be much more systematic in areas that were previously not considered as targets due to the perceived lack of a magnetic signature.

## **Planned Drill Program at the Lupin Project**

The Company has recently entered into a drill contract to mobilize one rig to site in October. The plan will be to drill test several of the identified targets commencing in Q4 2011. The drill program will be expanded at the end of Q1 2012 with the mobilization of up to three additional rigs.

## **Lupin Underground**

Although the focus of the 2011/12 drill program is the identified near-surface targets there is still potential at depth and considerable resources underground at the Lupin Project. Although the "West Zone" mineralized horizon was known to continue south of the shaft (the "SOS Zone"), limited development and/or exploration was carried out on the southern extension. A review of the compilation of this horizon suggests that the SOS Zone has potential to host considerable resources starting at surface. Additionally, the McPherson Zone and the on-strike continuation that was found late in the mine's history, remain wide open up and down dip, and along strike.

Previously disclosed historical drill intersections into the SOS Zone include:

490 metre Level Drift (Un-mined)	-	20.95 g/t Au across 2.66 metres
	20.16 g/t Au across 1.15 metres	
	13.95 g/t Au across 2.60 metres	
890 metre Level Drift (Un-mined)	-	11.2 g/t Au across 3.13 metres
	36.6 g/t Au across 2.68 metres	
	17.4 g/t Au across 3.18 metres	

Previously disclosed historical drill intersections into the un-mined, up-dip, portion of the McPherson Zone include:

950 Level Drift (Un-mined)	-	16.33 g/t Au across 2.4 metres
970 Level Drift (Un-mined)	-	10.21 g/t Au across 3.65 metres
	11.59 g/t Au across 5.4 metres	
990 Level Drift (Un-mined)	-	7.26 g/t Au across 4.18 metres
	11.28 g/t Au across 3.65 metres	

The Company also considers the underground to be an excellent exploration environment to define new sources for bulk mining. Based on the limited review to date, the Company has identified two underground targets that are nearby existing infrastructure. These are:

- The L20 Limb - The L20 limb to the east of the main deposit appears to be a continuation of the main folded Lupin BIF. It was intercepted from surface but no follow-up drilling was ever completed. The L20 limb is continuous and is accessible for drilling from several levels.

- Far East Zone - This is a limb of the Lupin style BIF that sits approximately 250 metres east of the L20 limb. It also had sporadic drilling with some excellent high-grade intercepts.

The Company therefore plans to fully evaluate both the remaining resources and the defined targets over the winter season so that a drill program for these targets can be better defined for 2012 (see attached Map 2). This will likely be a combination of both underground and surface drilling.

## Ulu Update

The Ulu Project, located in the High Lake Greenstone Belt, approximately 140 kilometres north of the Lupin Project, is host to the high-grade Ulu gold deposit. The current geological resource at Ulu contains an indicated resource of 751,000 tonnes grading 11.37 g/t Au and an inferred resource of 418,000 tonnes grading 10.61 g/t Au using a 2.5 g/t Au cut-off grade (see NI 43-101 Technical Report on the Ulu Gold Property dated June 27, 2011 by Richard A. Graham, P.Geol., and G. H. Wahl, P.Geol., available on SEDAR). The deposit remains open below the 360 metre level as indicated by deep drill results including intersections of 7.31 g/t Au across 12.73 metres at the 520 level and 14.9 g/t Au across 7.65 metres at the 610 metre level.

Drilling during 2004 and 2005 by Wolfden Resources Inc. continued to expand the zones with several holes intersecting mineralization in areas previously interpreted to be non-mineralized including hole UL04-04 which intercepted 6.5 metres grading 9.72 g/t Au and hole UL04-09 which intercepted 1.10 metre grading 17.10 g/t Au.

Also of significant interest is drilling at the Flood Zone which intercepted high-grade massive sulphide mineralization along a contact to the gold bearing Flood Zone. This hole UL04-28 returned a high-grade intersection of 7.48% Cu, 6.94% Zn, 148.6 g/t Ag (4.33 oz/ton Silver) and 1.05 g/t Au across 1.9 metres.

It appears that no follow-up drilling was completed in this area. The Company plans to conduct a complete review of this data with a view to commence follow-up drilling in March 2012. This drilling will focus on expanding the gold resource and follow-up drilling on the VMS intercept. Furthermore, there are 14 other gold occurrences on the Ulu property and the Company plans to complete follow-up exploration including mapping, sampling, and geophysics early in 2012.

## Qualified Person

Exploration at the Lupin and Ulu Projects is being conducted under the supervision of Ms. Vivian Park,

P.Geo., who is the Company's Qualified Person as defined by National Instrument 43-101. Ms. Park has also reviewed and approved the contents of this news release as applicable.

## **Elgin Mining Inc.**

Elgin Mining is a Canadian based company focused on the exploration and development of the Lupin Gold Mine and Ulu gold project, both located in Nunavut Territory, Northern Canada. In addition, Elgin's portfolio includes an approximate 35% interest in Auracle Resources Ltd., which is exploring the Mexican Hat property in Arizona, and an exclusive right and option to earn a 60% interest in Lincoln Mining's Oro Cruz (California) and La Bufa (Mexico) gold projects. Elgin Mining is also selectively reviewing opportunities to add advanced stage development projects to its portfolio.

### **Forward-Looking Statements**

*Certain information set forth in this press release contains "forward-looking statements", and "forward-looking information" under applicable securities laws. Except for statements of historical fact, certain information contained herein constitutes forward-looking statements which include management's assessment of Elgin's future plans and operations and are based on Elgin's current internal expectations, estimates, projections, assumptions and beliefs, which may prove to be incorrect. Some of the forward-looking statements may be identified by words such as "expects", "anticipates", "believes", "projects", "plans", and similar expressions. These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause Elgin's actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Elgin undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.*

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Image with caption: "Map 1 - Surface geophysics showing priority drill targets. (CNW Group/Elgin Mining Inc.)". Image available at:  
[http://photos.newswire.ca/images/download/20110919\\_C4463\\_PHOTO\\_EN\\_3412.jpg](http://photos.newswire.ca/images/download/20110919_C4463_PHOTO_EN_3412.jpg)

Image with caption: "Map 2 - Isometric view of all Lupin Zones - Red indicated historic mined and developed zones - Green generally indicated targets with some sparse historic drilling. (CNW Group/Elgin Mining Inc.)". Image available at:  
[http://photos.newswire.ca/images/download/20110919\\_C4463\\_PHOTO\\_EN\\_3413.jpg](http://photos.newswire.ca/images/download/20110919_C4463_PHOTO_EN_3413.jpg)

### **For further information:**

For further information, please visit Elgin Mining's web site at [www.elginmining.com](http://www.elginmining.com).

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