

# THE BUSINESS POST

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## Moving along

*Work resumes on quest to mine Hutton garnet beaches in Northern Labrador*

Freeport Resources is gearing up for another bulk sampling program of its garnet deposit this summer at the Hutton beaches in Labrador.

Company president Brenda Clark has been talking with officials from both the provincial and Nunatsiavut governments and is hoping for regulatory approvals soon.

"This is something we proposed last year but we got the conditional approval too late in the fall to do the work," said Clark.

This year's sampling, if approved, will see a much larger bulk sample taken than the one done several years ago. Some 5,000 tonnes of the garnet rich sand will be skimmed in shallow layers from the beaches using two barges, one of them temporarily beached and used as a portable dock to load the second barge.

"It will be designed to test the loading methods for commercial production," said Clark.

Freeport is waiting to get the necessary regulatory approvals before making the commitment to chartering the barges. Clark has looked for barges in Newfoundland, but none are available. They will likely have to be chartered in Nova Scotia or Quebec.

Clark has had several meetings with government officials both in Labrador

and in St. John's and thinks the process is going well. She brought along the marine surveyor who will be used on the project to answer the more technical questions. To her knowledge, an operation of this kind has never been performed before in Labrador.

This summer's work program will also enable Freeport to update its estimates of just how much garnet is located on the beaches, which are situated some 360 kms north of Nain. Exploration work in 2004 estimated there are some 1.25 million metric tonnes of garnet, which could provide a production life of 20 years.

Meanwhile, Freeport is continuing its work on product development involving the garnet, which is of a high quality and has already been successfully tested in laboratories in Canada, the United States and the United Kingdom using small samples. The 5,000 tonne bulk sample will not only allow Freeport to study the logistics of mining the material, but also allow engineers and technicians to work with larger samples of the garnet to study its quality and characteristics. Some of the work will be done at Memorial University's technical services division.

Garnet is used in waterjet cutting and

as an abrasive in sand blasting. Despite the world recession, the market for garnet is still good, Clark said. Part of the reason for that is that exports from India have declined recently because of quality control problems.

Freeport's target customers are in eastern North America and Europe.

"We're trying to put together a broader marketing plan," said Clark. "It seems there is still quite a bit of interest. We still get people phoning and asking when we might start (production)."

The garnet project has been in Freeport's hopper for a number of years now. The project was delayed for a little while because the beaches are located on lands that were affected by the establishment of the Nunatsiavut government. Since the new Inuit government came into place, the project has regained momentum. Freeport called for proposals a couple of years ago looking for contractors to help with the extraction, refining and marketing of the garnet, but



**The Hutton Beaches in northern Labrador are so rich in garnet, they stand out in satellite images taken from outer space.**

at that time, with the mining industry booming, it was difficult to attract interest from companies to take on a project so far north when easier work was available closer to home.

The program of work outlined for this summer could well advance Freeport in the development of the project.

The Hutton beaches are so rich in garnet, they are visible in space as red outlines

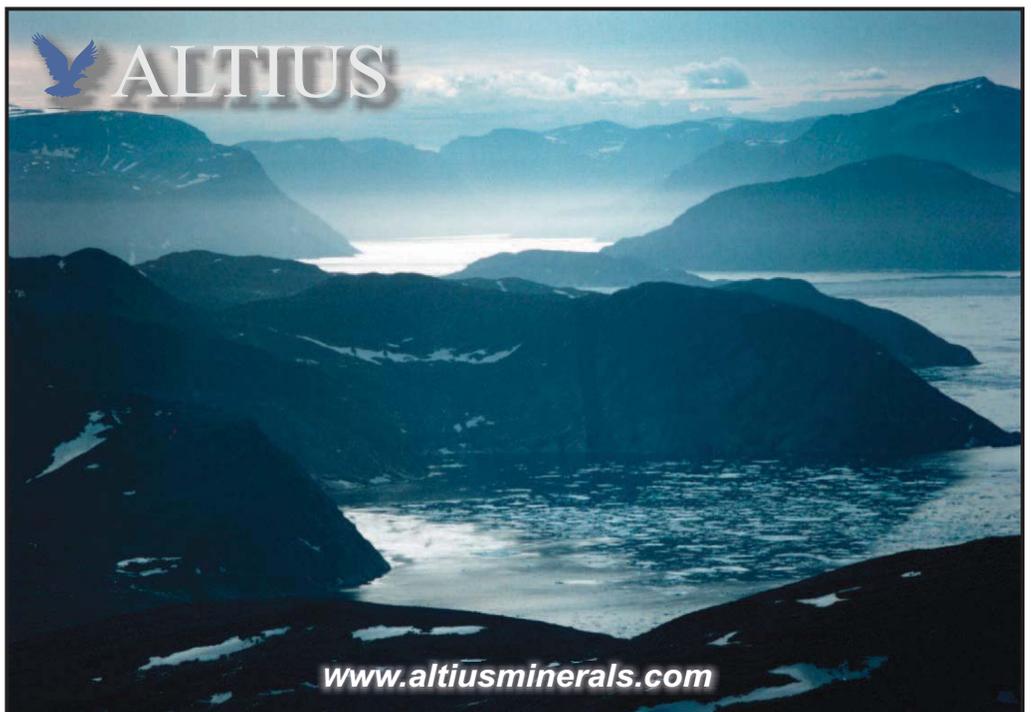
on the coast of Labrador. Garnet grades are as high 75 per cent on South Beach and 25 per cent on North Beach.

According to lore, garnet aids navigators and protects travellers from accidents. But Freeport is more interested in its industrial purposes, as an abrasive in water jets and industrial cleaning and cutting.

Clark said using the barges to mine the garnet

would mean no docks or permanent infrastructure would be needed at the site.

"Although this is a common approach in remote locations throughout Canada, the proposed strategy requires field-testing and refinement to adjust to the specific conditions of the site," Clark noted. "The barges will also act as a self-contained base camp."



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