

# BUSINESS

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## MARKET WATCH

### LOCAL STOCKS

	CLOSE	CHNG.	VOL.
Aliant Inc.	28.80	0.05	33,917
Altius Minerals	3.90	0.10	46,894
Buchans River	0.20	0	0
Cdn. Imp. Venture	0.08	0	5,000
Viking Gold Explor.	0.15	0	0
Silver Spruce Res.	0.12	0	1,500
CHC Helicopters	52.20	0.20	8,421
FPI	8.00	0.13	500
Fortis	68.80	0.45	6,335
IOCC Royalty	21.60	-0.10	61,227
NewCap Corp.	12.28	0	3,149
Nfld. Goldbar	0.06	0	0
Vector Aerospace	2.24	0.03	1,000
Stratos Global	11.25	-0.06	46,225
Vulcan Minerals	0.38	-0.02	54,000
Northstar Elec.	0.35	-0.02	2,930
Cornerstone Res.	0.335	0.005	9,700
Linear Resources	8.05	0.20	55,260
Rutter Technologies	1.08	0.01	43,457
New Island Res.	0.14	0	0

### MARKETS

	CLOSE	CHNG.	VOL.
TSX 60	500.63	-0.55	25.4M
S&P/TSX	9,063.84	6.68	152.5M
TSXV	1,797.60	5.48	81.2M
DOW Ind.	Markets closed		

### COMMODITIES

	CLOSE (\$/oz)	PREV.
Gold	\$422/oz	\$422/oz
Silver	\$6.57/oz	\$6.57/oz
Nickel	\$14,875/t	\$14,690/t
Copper	\$2.18	\$2.135

# Green light for garnet mine

MINING

Company, government settle boundary issue

BY MOIRA BAIRD  
The Telegram

**A** British Columbia exploration company is moving ahead with plans to mine a garnet-titanium deposit just outside the proposed Torngat Mountains national park.

That project has been on hold for the past five years because some of Freeport Resources Inc.'s mineral claims fell within the park that will be created on the northern tip of Labrador.

Those 35 square kilometres of mineral claims were expropriated by the province and the company was compensated to the tune of \$400,000.

It leaves Freeport access to the southern beach portion of the Hutton project, which contains high-grade garnet.

"Work there can continue, so we're permitted to explore and develop those deposits," said Brenda Clark, president of Freeport, in an interview.

While Richmond-based Freeport is a junior exploration company, it plans to develop the garnet deposit itself.

"We think it's possible to do because it's a relatively small project and it's fairly simple," Clark said.

"It is our discovery and we'd like to keep our hand in it — having worked on it for quite some time."

Garnet granules are used in industrial water cutting, which uses high-pressure water containing abrasive particles to cut shapes and designs out of steel, glass and plastics, along with composites used in aircraft manufacturing. It's also used in sand-blasting.

Markets for garnet include major industrial centres where water-cutting is done, such as Montreal, the U.S. eastern seaboard and Europe.

The garnet found at South Beach is distinctively red in colour, and Freeport says it's one of the highest grades of garnet found in the world.

Clark said the garnet sands beach could produce about 20,000 tonnes of the semi-precious mineral annually.

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**"We think there's more there than we would ever use. Because garnet is a niche market, you don't need an awful lot of it. It would easily last for over 20 years."**

Brenda Clark, president,  
Freeport Resources Inc.

lot of it," she said. "It would easily last for over 20 years."

The first step is bulk sampling of between 500 tonnes and 1,000 tonnes of garnet this summer to figure out the best way to process the mineral and market test the product.

"The material is so high grade you don't need to do much. The processing is actually a question of drying it, sieving it and a couple of different separation techniques.

"We've done a lot of work already on the processing methods. We're refining that."

Clark estimates that work will take about a year to complete.

A pilot plant, resembling a small sand and gravel plant, would likely be built in the province.

"Our preference is doing it in the province along the main shipping routes somewhere," she said.

The garnet would head straight to market once it was processed at a local port.

Clark said she's also talking to the Inuit, who have experience and expertise quarrying and shipping Labradorite to markets overseas.

"It's premature for me to say much about this, but it seems like a natural thing to be doing," she said.

The agreement officially creating Torngat Mountains National Park Reserve will be signed Friday in Nain — the same day the signing of the Labrador Inuit land-claims agreement will occur.

Freeport acquired its mineral claims in Labrador in the late 1990s.

Two other junior exploration companies also held mineral claims inside the Torngat park land — St. John's-based Copper Hill Resources and Quebec City-based Virginia Gold Mines.

Copper Hill, now known as Viking Gold Exploration, was compensated \$250,000 by the provincial government four years ago.

A spokesman for the Department of Natural Resources said Monday there are no other companies to be compensated for the loss of mineral exploration permits.

"There is nothing else pending," said Craig Renouf.

mbaird@thetelegram.com