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Firestone Ventures Is Taking A Big Bet On Its Torlon Hill Zinc Project In Guatemala

It was a bold move by Lori Walton, chief executive of Canadian listed Firestone Ventures, to go to Guatemala back in 2004. Hitherto all her experience had been in Canada where she had been Senior Mineral Development Advisor for the Yukon government before joining Firestone. But she had been attracted to zinc in the early days of the cycle and is now delighted to have been proved right by the price movement of the metal and the recent statement from Anders Haker, chief financial officer of Lundin Mining, at Metal Bulletin's recent Zinc Seminar. According to Reuters he started his talk with a forecast that "Demand for zinc will outstrip supply until at least 2010, making it worthwhile investing in new projects despite geopolitical risks.

In fact she was delighted with all she found in Guatemala where her company's Torlon Hill zinc project is situated. Guatemala is situated in Central America with Mexico to the north west and Honduras and El Salvador to the south east. It is a peaceful, democratic country with a good mining law and Ms Walton has forged good relations with its governmental authorities. The project itself is near the Pan American Highway and 12 kms from the city of Huehuetenango so infrastructure is within reach. Redhawk Resources and AIM listed ZincOx Resources carried out some exploration in 2000-2001 and sampling and mapping on the property have confirmed their exploration data.

Zinc mineralization in the form of Smithsonite extends over a 100 metre by 700 metre area called the Santa Rosa Corridor which is buttressed by two sheets of high grade mineralization. A fourteen hole drilling programme has been carried out there this year and in March Firestone announced the result of the first six holes. The intention of this programme was to evaluate the zinc mineralization in order to produce a resource estimate. All six holes intersected mineralization and one averaged 22.0% zinc over 33 metres including a 17.1 metre interval grading 31.9% zinc. The consulting firm Watts Griffis and McQuat saw many similarities with the Angouran deposit in Iran where it has been working for five years. This has a resource of more than 25 million tonnes grading approximately 25% zinc and 1-2% lead.

Earlier this month the company announced the results from the last eight holes which included an intersection of 46.7 metres grading 12.5% zinc and included 24 metres at 17.9% zinc. A limited amount of metallurgical testwork has been carried out to date, but it looks as if the Torlon Hill zinc may be suitable for new processing technologies which can produce zinc at low cost. The company raised money in London and Calgary towards the end of last year and has C\$5 million in the kitty following a further funding in April, so more drilling is planned later this year.

Lori Walton describes Torlon Hill as the company's prime asset, but back in South Yukon it is also earning an 80 per cent interest in the Sonora gold property. The

company was attracted to it by its multiple styles of gold mineralization, geological setting and intriguing gold-bismuth-tellurium geochemical signature. It lies midway along the Dawson Range Gold Belt which hosts historically important gold and copper mines and deposits and previous explorers focused on copper. Placer gold mining has operated periodically on streams draining the Sonora property and Firestone is seeking the source encouraged by angular gold nuggets which have been recovered from placer concentrates. Phase One exploration has now begun with 13 kilometers of geophysical surveying to extend the coverage provided geophysics programme undertaken last autumn, followed by a surface exploration program consisting of geological mapping, soil and silt sampling and chip sampling. Phase Two will consist of data compilation and review, followed by a diamond drill program scheduled for September to test for intrusion-related gold mineralization.

In addition to these two projects Firestone Ventures also has a 100 per cent interest in the Alberta Sun project in Southern Alberta which is prospective for roll-front uranium deposits. Initial surface exploration has produced positive results and it will continue with a drill programme planned for later this year. The company has also signed a Letter of Intent to option the Morris gold-silver-antimony property in British Columbia to MacLellan Mining Group. Lori Walton therefore will have much to talk about when she is in London again later this month and attendees at our 33rd Minesite Mining Forum on 20 June will be able to meet her there.

Companies featured in this Story

[Zincox Resources Plc \(AIM-ZOX\)](#)

[Sonora Gold Corp \(TSX.V-SGG\)](#)

[Firestone Ventures Inc \(TSX.V-FV\)](#)