

Forty Years (Nearly) of Gold Exploration in Nevada

Andy Wallace, Cordex History.

Cordex was founded in 1969 by John Livermore and Pete Galli to represent a syndicate of Canadian juniors for gold exploration in Nevada. Cordex has always been a low-budget effort, but has been successful through the years in finding and developing four Nevada gold mines, and discovering other sizable deposits which have been developed by others, or that remain uneconomic at current gold prices.

The most remarkable achievement of Cordex has been to remain funded through the years, allowing the long term and continuous exploration effort that has been denied most others. Cordex discoveries that were placed in production include Pinson/Preble, Dee, Marigold, and Daisy (Secret Pass). All but Secret Pass are now known as multi-million ounce deposits (past production plus reserves), but all were placed in production with initial reserves of around 500,000 ounces Au, or less. Cordex staff continued to supervise exploration at the deposits after production started and significant new additions to reserves were made at Pinson (MAG and Clay Pit), Marigold (Stonehouse and Lone Tree, eventually operated by Santa Fe and Newmont), and the new South Arturo discovery has been made by Barrick at Dee. Significant Cordex discoveries also include Sterling (now operated by Imperial), Florida Canyon (first operated by Pegasus), and the uneconomic Hasbrouck Mountain gold deposit and Bretz uranium deposits. Total spending by Cordex in its history is US \$38,450,000.

We are also proud that Cordex, and its funding partners, have made other types of contributions using proceeds of the Nevada operations, including major funding of the Delamare library and Canada Hall at UNR, and the acquisition of land now preserved in the Lamoille Canyon area south of Elko. Cordex has always been environmentally conscious with its mines pioneering concurrent reclamation. We are most proud of participating with Eklund Drilling to develop capable overland drills, saving hundreds of miles of road building in Nevada alone. These achievements led to the Dupont Environmental Leadership Award to Cordex's main partner in 1993, Rayrock Mines Inc. Cordex has been a financial supporter of geological research at UNR and other universities, and the USGS, both in direct financing of projects through the years, and recently through participation in the founding and financial support of the highly successful CREG program.

Cordex remains very active, and is now fully funded, for the first time since the downturn of the late 1990's, by Columbus Gold Inc. We have made some changes in our approach due to requirements of our funding partners. We now have 31 active projects in Nevada, Arizona, and Utah, of which fifteen are farmed out. We are also currently drilling at our wholly-owned projects. We will be participating, late in 2007, in the management of a new company oriented toward exploration for silver.

This talk is a collection of some history, mixed with personal reminiscences of the author, who started part-time work for Cordex as a graduate student at Mackay in 1973. In hindsight, the timing of the formation of Cordex could not have been better, as it was able to participate in what will eventually be known as the greatest gold rush in the history of the world.