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Cogitore looks deeper at Scott Lake

FINDS 'NEW FRONTIER' IN CHIBOUGAMAU CAMP



BY SUSAN KIRWIN

Gérald Riverin, president and CEO of Cogitore Resources, poses by hole 34 at the company's Scott Lake VMS project, 20 km west of Chibougamau, Que.

SITE VISIT

BY SUSAN KIRWIN

CHIBOUGAMAU, QUE. — Gérald Riverin can hardly contain himself as he stands next to the marker for drill hole no. 34 at **Cogitore Resources'** (WOO-V, CGORF-O) Scott Lake project, 20 km west of

Chibougamau, Que., one warm and sunny July afternoon.

Riverin, Cogitore's president and CEO, is quick to rhyme off the impressive grades and widths of the drill samples we saw back at the core shack just a few hours earlier, including 25 metres grading 2.04% copper, 0.99% zinc, 0.17

gram gold and 52.5 grams silver per tonne.

Thinking back to when the hole was drilled, Riverin admits he didn't even want to drill in that location because the focus was to test for volcanogenic massive sulphide (VMS) mineralization along the north horizon. But for-

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tunately, a “stupid little lake” was in the way, forcing the company to drill a longer hole than planned. Riverin was expecting to drill through a lot of granite before reaching the volcanics, so when a driller called him to say they had hit some mineralization, he didn’t believe it.

“I thought, we’ve got some hematite — it couldn’t have been massive sphalerite,” Riverin recalls.

But a geologist confirmed it, telling Riverin that there was about 20 metres of massive sulphide, followed by copper stringers.

The assays proved it, and at the end of August, Cogitore began a follow-up 3,500-metre program to test the extension of this new massive sulphide pod, known as the West lens. With three lenses found since 2006 (the others being the 800 and 1750 lenses), bringing the total to five, the company is now working on a resource estimate to be used in a National Instrument 43-101 technical report due out by the end of the year.

VMS mineralization was first discovered at Scott Lake in 1975 by a company called Selco, but up until 2006, it was thought to host distal zinc-rich mineralization occurring in small, widely scattered massive sulphide lenses over narrow widths. All this changed when Cogitore began to find more and more massive and stringer sulphides, rich with zinc and copper mineralization.

Riverin has known about Scott Lake for a long time. He found himself in almost this exact spot in 1977, days after he defended his PhD thesis on VMS alterations. It was his first job and he was eager to put his years of studying into practice. He sent some of the students working for him to do some regional work around Scott Lake and surrounding properties to see if there was any evidence of a big hydrothermal system that could be related to a VMS deposit.

“And sure enough this particular property stood out as a big alteration system,” Riverin says, noting there was no guarantee of an actual deposit. But the key ingredients were there and it’s been in the back of Riverin’s mind ever since. “All these years I’ve been dreaming to get this project but for all kinds of legal reasons or ownership things, this couldn’t happen until I joined a junior company called Cogitore,” he says.

He kept his dream alive until 2004. Riverin had been working for **Inmet Mining** (IMN-T, IEMMF-O) (and their predecessors) in the Chibougamau area for decades when he learned that his job was in jeopardy. Inmet was going to drop its North American exploration projects. Then one day, Riverin’s Inmet colleague, Frank Balint, ended up on a Toronto golf course with Jonathan Goodman, CEO of **Dundee Precious Metals** (DPM-T) and son of Ned Goodman, the founder of **Dundee Corp.** (DC.A-T), a holding company that includes **DundeeWealth** (DW-T), Dundee Realty and Dundee Resources.

The Goodmans had noticed that Inmet wasn’t doing much with its North American projects, and, as heavy resource investors, they were interested.

“Quickly, the Goodmans came here when I was with Inmet, reviewed some of the projects, talked to me, and asked: ‘If we were to get all of Inmet’s (eastern Canadian exploration) properties would you be interested in joining us to run the company?’ and that’s what happened in 2004,” Riverin explains. The Goodmans are still involved: Jonathan is a director and Mark is the executive chairman.

In May 2004, Woodruff Capital Management, which later became Cogitore, signed an option agreement for nine Inmet properties scattered across Ontario, Quebec and Newfoundland. The projects included the past-producing Lemoine property 25 km south of Chibougamau and the Estrades-Caribou property 95 km

northeast of La Sarre near the Casa Berardi mine, both of which Cogitore is still focusing on today. “I knew these projects very well because I was involved in acquiring them. I picked the ones that should go into the new company — they were my babies,” Riverin says.

The Lemoine project, being one of the richest massive sulphide deposits in the world, isn’t something a VMS man like Riverin could give up easily. The mine produced 758,000 tonnes grading 4.2% copper, 9.6% zinc, 4.2 grams gold and 83.4 grams silver per tonne between 1975 and 1983.

“Even though it was small, the fact that it was such a high-quality massive sulphide, to me it is saying something about the quality of the mineralizing fluids there,” Riverin says.

On top of that, the geology at Lemoine is analogous to the Matagami camp north of Rouyn-Noranda, where a cluster of major VMS deposits have been mined over the years.

Even with his handpicked project roster, Riverin still had Scott Lake on the brain, the property where he had surreptitiously collected rock samples decades earlier. He says he even tried to get Inmet to buy it in 2002, but the company, already planning to drop its North American projects, wasn’t interested.

So when Riverin became president of Cogitore, he immediately contacted Scott Lake’s owner, **Thundermin Resources** (THR-T, TUDMF-O), and made a deal.

Riverin’s passion goes beyond Scott Lake. He has big dreams for reviving the Chibougamau camp entirely. “There is no reason that we would not find another Matagami camp except that you have to look for it specifically,” he says. “I’ve always dreamed that somewhere there would be a whole series of massive sulphides and maybe we will find them.”

Chibougamau, a traditional Cree area, first attracted prospectors and

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miners in the early 1900s but there were no lasting developments until copper was found in the late 1940s. By the mid 1950s, Chibougamau became an official town and many mines popped up in the years to follow. But all the big miners have long since left. Just last year, a bankrupt Campbell Resources shut down the Copper Rand copper-gold mine and mill, where production started in late 1950s.

Despite its age, Riverin says the Copper Rand mill could be an asset to Cogitore because it's within trucking distance of Scott Lake. With no other companies very close to production, all Cogitore has to worry about is that the property is maintained.

But for now, Cogitore needs to spend its money on developing resources at Scott Lake and its other projects. The company has about \$2 million in the

bank, having recently received a tax credit from the Quebec government for \$1.2 million and raised another \$600,000 through a private placement in August. The financing was largely supported by management and directors, who now hold about 19% of the company fully diluted. At presstime, Cogitore shares were trading around 20¢. The company has 50.3 million shares outstanding for a market cap close to \$10 million.

Mark Goodman holds about 7.2% and Jonathan Goodman holds 3.7% of issued and outstanding shares. Riverin holds 2.4% of Cogitore.

Riverin says Chibougamau deserves a second chance and turns a deaf ear to any criticism of his search of an abandoned camp.

"All the first discoveries were vein types and that meant that everybody

focused on this kind of deposit," Riverin says. "Now, if we start discovering good-quality massive sulphides, people might come back, but in the meantime we will have taken the best ground available."

Riverin describes what he's exploring as a "new frontier" — but without the headache of having to build new infrastructure. He can reach all of Cogitore's projects by road.

Chibougamau isn't well explored at a depth below 200 metres, but Scott Lake, where the West lens starts at 400 metres depth, is just one example of what past explorers may have missed.

"The new frontier doesn't have to be north, it's just going a bit deeper. . . we are looking at the vertical frontier," he says. "Not many companies are prepared to take the risk that we are in doing deep drill holes."