

# **GOLDCORP CERRO NEGRO**

## **BLACK MOUNTAIN GOLD**



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*Goldcorp has hailed this as its next cornerstone gold mine: now with little more than a year to go before it pours its first doré bars the project is recognized as world class*

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Geology and safety meeting

Vancouver based Goldcorp has moved into new territory with its Cerro Negro mine in Argentina and for project director Alastair Still the opportunity to work a really high grade vein system is truly exciting. “This is a very exceptional asset, make no mistake,” he says. “There are a number of high grade, high quality deposits here making up a single project.”

Argentina has a modest history of mining but with a number of important new development projects it is gaining importance as a leading mining country in South America and globally, he adds. “In Patagonia, particularly Santa Cruz province where Cerro Negro is located there are a number of development projects in addition to ours that are contributing to the rapid growth of mining.” Mining will undoubtedly be making a valuable contribution to the economy of the province and the country as a whole, he believes.

Three distinct underground mines are being developed on the 215 square kilometer property, the Eureka, Mariana Central and Mariana Norte deposits. The most advanced is at Eureka where a ramp or access tunnel has already been driven down more than 1,800 meters, or close to half its eventual length, in a great spiral. Access levels cutting across into the gold bearing vein are spaced 26 meters apart, vertically. Since the beginning of the year ramps have been started at Mariana Norte and Mariana Central as well. Though Eureka will be the first to yield ore, all three will eventually



feed into a central processing plant which will crush and refine approximately 4,000 tonnes of rock every day.

While it is accessible by road, the project is quite remote. It is a barren and windswept, though beautiful environment, says Still, with the flat lands and rolling hills of the Patagonian plains riven by deep valleys containing rivers and abundant vegetation. The property is 70 kilometers from the

town of Perito Moreno, traditionally a ranching community. Unlike the northern part of Argentina, the people have not had a long history with mining or metals processing, but this is now changing with the development of Cerro Negro and several other mining projects in the district as the town becomes an important source for the supply of goods and labor alike. Alastair Still is the only Canadian on the site, spending his time between the project and a regional office in Buenos Aires – a two and a half hour journey by air to Comodoro Rivadavia and then a six hour drive to the

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*Sustainable Productivity*



Eureka vein entrance safety board

“THERE ARE A NUMBER OF HIGH GRADE, HIGH QUALITY DEPOSITS HERE MAKING UP A SINGLE PROJECT”

Cerro Negro camp. With few other expats working on the project, Goldcorp is focused on utilizing and developing Argentinean workers and management, with a special focus on hiring and training local people from the province of Santa Cruz.

**\$28  
MILLION**  
.....  
**2012 exploration budget**

venture company for the initial mine development formed by the Argentinean construction firm Constructora Sudamericana and the experienced South American mining contractor Mas Errazuriz. The JV supplies its own workers at this stage, with Goldcorp

Developing and supporting infrastructure at Perito Moreno is part of Goldcorp's commitment to supporting sustainable prosperity. The company is building ten company houses in the town as the first phase of a housing program, but training is vital too. Currently in the construction phase, Goldcorp is working with a joint

supplying most of the equipment, Still explains. "The idea is that they carry on with the initial underground work, and at the same time we hire and train our own employees, who will become the miners for the extraction phase and continue with the long-term mine development once the main infrastructure is in place."



Panoramic view of Eureka camp



Production inside Eureka

So Goldcorp is currently employing mainly construction workers on the above ground facilities, and many of these people are available locally. Meanwhile, in August a training program will be introduced in conjunction with the University of Southern Patagonia (UNPA) at the trade school in Perito Moreno to introduce local people with little or no mining background to the trades Goldcorp will need later in 2012 and

in 2013 when the mines start to produce. The eight week course will teach an introduction to mining, basic mine operations, safety, environmental care, equipment handling and the like, and at the end of it participants will have a foundation of knowledge in mining and a better idea of whether they would like to pursue a career in mining. "We will be hiring successful graduates of the course as roles become available – then

**“WE WILL BE HIRING SUCCESSFUL GRADUATES OF THE COURSE AS ROLES BECOME AVAILABLE”**



Logistics



Inside Eureka



Mine rescue team

“WE ALWAYS DEVELOP A MINIMUM OF TWO ENTRY AND EXIT POINTS TO THE OPERATION”

they may enter a phase of more specialized training to equip them for work either on the mining or the processing side.”

The courses at Perito Moreno will be staffed by professors experienced in mining from the University of San Luis. As well as providing the human resources to help develop future miners for Cerro Negro, this partnership will provide an important boost to the growing industry and especially local employment in Santa Cruz province. The initial course has proven to be so popular

that Goldcorp has already offered to run a second course immediately following the first in the nearby town of Caleta Olivia.

But training isn’t an instant fix, he stresses, it is part of a long-term plan to develop the local work force and contribute to sustainable development. “Initially it will be necessary to use a core of highly experienced mine operators. It sometimes calls for years of experience to be sure they can live up to our safety culture.” Mining can be a hazardous business – the ramps are sunk using a ‘jumbo’

to drill holes in the face which are loaded with explosives and blasted. Loaders then come in to scoop out the broken rock material and dump it into a haul truck that transports it up to the surface. “For Goldcorp one of our core values is safety and we take great pride in it,” says Still. “Our slogan is Safe enough for our families! This encourages everyone to stop and think, would I be comfortable if my son or daughter were doing that task?” It’s certainly a thought to concentrate the mind.

Safety in design is as important as safety in practice. The ramps and access tunnels are secured

by rock bolts and screens, and the mines will incorporate a number of vertical shafts whose primary purpose is ventilation but may also serve as backup escape routes, fitted with ladders. “We always develop a minimum of two entry and exit points to the operation,” he says. Having a first rate safety record helps when it comes to recruiting people used to working under the open skies: when at the end of 2011 Goldcorp was able to report a million man hours without lost time incident (LTI) at Cerro Negro it was an important milestone, as was the announcement by Adviser / Foraco Drilling,

ONE MILLION ..... Man hours worked without lost time incident

Adviser / Foraco Drilling,

one of the major contractors on the site, that the project is one of the safest they work on in the country.

Surface drilling contractors Adviser and Boart Longyear between them operate eight surface drills producing in 2011 more than 140,000 meters of core samples. This year the exploration budget is \$28 million. The main focus for Goldcorp is to get the Cerro Negro operation up and running and obtain gold from the known resource, but the unknown, probable resource is just as exciting. “There is huge potential for more discoveries,” says a cautious Still. “The mine life is in the region of twelve years based on the deposits we know about but recent drilling results give us every expectation it will extend a good number of years beyond that.”

Mining could well underpin the economic and social development of southern Argentina, but Goldcorp aims to leave a legacy that will last long after its current project has been worked out, however long that takes. Soon after it took over the project the company has continued with the foundation for a dairy project at Perito Moreno, contributing equipment, training and facilities to kick start a new agricultural industry to help contribute to the growth of a diverse local economy and as a potential supplement to the large scale sheep production for which Patagonia used to be famous. **BE**

Panoramic view of  
Patagonia mountains

For more information about  
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