

June 183

001179

## Dentonia Resources Limited Management Optimistic

In a recent report to the shareholders, Dentonia President, H. H. Shear, P.Eng., expressed his pleasure at the progress Dentonia made during the first six months of its fiscal year, and particularly with developments in the last two months.

Dentonia's debt has been greatly reduced. Most of the debenture holders have converted their debentures to common shares, while a financing completed last fall netted the company \$416,250. Subscribers to this financing have exercised 147 warrants and netted Dentonia \$529,200 up to the expiry date of April 22, 1983.

### Jewel Mine

Results to date at the Jewel Mine near Greenwood, BC are encouraging. The new ore shoots at the South ends of the 400 level and the 460 sublevel have been opened up during the most recent work. A 4.2 foot channel sample taken across the present south face of the 400 level assayed 0.915 ounces per ton of gold and 5.95 ounces per ton of silver.

The 475 level will be the main haulage level, and therefore is being driven straight. As a result, its south end is below the vein and the 460 sublevel is being advanced to the south in order to explore the Jewel vein. This action will be required at any rate once production commences.

All dewatering and rehabilitation work has been completed to prepare for drifting on the Denero Grande section. From December to the present, 718 feet of drifting and 120 feet of raising has been achieved. Also, a three-phase power line was constructed to the worksite with the capacity to supply power to a 100 to 150 ton-per-day

mill. This change was made to take advantage of cheaper sources of power by switching to electrically-run compressors.

Dentonia is now preparing for the next stage of development to consist of continued exploration and the commencement of blocking out ore reserves. Feasibility of having a portion of the ore custom milled to produce a cash flow while working toward justifying the construction of its own mill is under consideration by management.

### Rainbow

Dentonia has joined Kettle River Resources Ltd. in a 50-50 joint venture on the Rainbow silver-gold prospect, containing 4,800 acres southwest of Greenwood, BC. There have been 100 tons shipped from the Rainbow prospect to the Trail, BC smelter which averaged 0.08 ounces per ton gold and 8.9 ounces per ton silver.

Management views the property as having potential for developing into a large, low-grade precious metals situation. A geochemical and geological program will be commenced shortly, to be followed by trenching and diamond drilling of targets.

### Wood Lake

Dentonia owns a 25 percent interest in the Wood Lake project, a joint venture which is managed by Granges Exploration A.B. Linecutting and ground electromagnetic surveying has been completed this past winter. Ten drillable targets were indicated. The project claim blocks, which total 4,277 acres, cover Nokomis Group rocks near the Kay Lake Area 50 miles northeast of Flin Flon, Manitoba. Puffy Lake type gold deposits are the object of the search. Diamond drilling of these targets is planned to start in June, 1983.

With this promising start in the fiscal year, Dentonia management is looking forward with great optimism to the continuance of its programs.

82ESES5