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Kilo testing claims in New Denver area

VANCOUVER - The Trail smelter has long been a boon to small operators around New Denver, B.C. Over the years, a number of companies have reaped substantial profits by direct shipping high grade ores to that smelter. This fact has not gone unnoticed by **Kilo Gold Mines**, an Alberta Stock Exchange listing holding claims on the south slope of Mount Carpenter near that community.

The company raised $327,000 by prospectus earlier this summer, a large portion of which will be spent in that area. According to official record, approximately 191 tons of ore has been shipped from its Capella claims over the years, grading 412 oz. silver and 0.224 oz. gold per ton. 82F/14

Two old adits have been observed on the property, both caved at the portal entrances. Initial work will consist of soil geochemical sampling with drilling scheduled for the second phase, probably next year.

A similar work program is planned for the Beaver claims which also host extensive underground workings and appear to have good silver potential. Gold and silver values also have been reported on the Kilo claims which are accessible by road from nearly Slocan. A number of quartz vein structures have been noted, some containing very high grade gold and silver values, underscoring the potential for a selective mining operation, the company says. 82F/14 82F/14

About $130,000 will be spent on Kilo's four mineral claims located 27 miles northeast of Tofino on Vancouver Island. Gold-bearing quartz carbonate veins with sulphides have been found on the property. An adit was driven along a 9-10-in.-wide vein a number of years ago and the vein material graded from 0.18 to 3.0 oz. gold. This particular vein has been traced for some 4,100 ft. on surface with intermittent gold values reported, the company states. 92F/(NE)

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KILO GOLD MINES LTD. (KGD-Alberta) 82F/14

WORK ON GOLD PROJECTS IN B.C. IS ENCOURAGING - Kilo Gold Mines Ltd. president Thomas E. Kirk reports that results of Phase I exploration at 2 former gold-silver producing properties, the Capella and Beaver claims in the Slocan Valley near New Denver, B.C., are "encouraging and promising". Ore test results will be announced next week.

From the Capella claims, according to offical records, about 191 tons of ore were shipped over the years grading 412 oz.silver and 0.224 oz.gold per ton. Mr. Kirk says the Beaver claims have a number of quartz vein structures, some containing very promising gold and silver values.

Elsewhere, Kilo Gold will start exploration next week on its You claims, 27 miles NE of Tofino on Vancouver Island. Mr. Kirk says an adit has already been driven along a 9 to 10-inch vein and the vein material graded from 0.18 to 3.0 oz.gold/ton. 92F/(NE)