675550 North American Gold Mining industry News / December 7, 1984

82E/3 Drilling set for March on Kettle River's Greenwood gold properties

GREENWOOD, British Columbia—Kettle River Resources Ltd. has received from Noranda Exploration Co. Ltd. a report summarizing the 1984 work program carried out on the Noranda Exploration 51 percent, Kettle River 49 percent joint venture properties situated in the vicinity of the town of Greenwood, British Columbia. This report reprinted below also outlines the planned 1985 program.

Summary of 1984 and schedule of 1985 exploration programs

During 1984, C\$250,000 were spent on the Noranda Exploration/Kettle River Resources joint venture properties in the Greenwood Mining Division.

Exploration commenced in March with a C\$30,000 diamond drilling program, consisting of four drill holes totalling 290.47 meters (953 feet) and resulting in the discovery of a possible gold horizon rimming the old workings of the Brooklyn Mine.

During April a 455-meter airborne geophysical survey was flown based on the 1983 Sylvester-K discovery of gold associated with a massive pyrite-pyrrhotite body.

The airborne survey produced approximately 190 anomalous conductors, of which 45 were followed up by detailed ground geophysics, geochemistry, and geology, while 50 were found, during preliminary mapping, to be caused by cultural effects.

Nine grids totalling approximately 90 line-kilometers were then constructed based on high priority airborne conductors and/or regional mapping by J.T. Fyles. Each grid was geologically mapped along with having geophysical (HLEM and mag) and/or geochemical surveys done. The following list indicates approximate production totals.

Geophysical survey:

Geochemical survey:

Geological survey:

HLEM (Genie): 65 km Magnetometer: 68 km Silts: 45 samples Soils: 1,675 samples Rocks: 90 samples Each grid mapped at a scale of 1:2,500

Three of the grids produced high priority targets, which are as follows:

Grid 1: Target is based on a strong HLEM conductor with a coincidental magnetic response and peripheral, localized massive pyrite/pyrrhotite showings.

Grid 2: Target is based on an HLEM con-

ductor with coincident magnetic and weak zinc/copper geochemical responses.

Grid 3: This target, also based on a strong HLEM conductor and coincident magnetic response, is situated in a largely overburden area on what is thought to be an andesitic-felsic volcanic contact.

Remaining grids delineated multiple HLEM conductors along with, or without, coincidental magnetic and/or geochemical responses. The majority of these could be explained by geological mapping and were found to be caused by manmade disturbances, dikes, graphitic rock units, and other formational causes such as variations in rock types. Three of these, HLEM conductors, could not be explained by geological mapping due to overburden, and are planned to be trenched in 1985.

The 1985 program will be similar to that of this year. Commencing in March, it will consist of three diamond drill holes; two planned for the Brooklyn zone and one on the Grid 3 target. Targets on Grids 1 and 2 will be further delineated with geophysics and geochemistry during May (pending snow conditions), with a drilling program planned to follow.

Trenching proposed for those HLEM conductors that could not be explained by geological mapping will be scheduled for May or possibly earlier, in coincidence with the March drilling program.

The remainder of the program will concern the detailed gridding, geophysics, geochemistry, and geological mapping of numerous airborne, geochemical, and geological targets not followed up during 1984. There will also be a preliminary mapping program, in order to assess the potential of over 30 of the 95 airborne anomalies that have yet to be looked at.

Kettle River is also in the process of finalizing a separate joint venture arrangement for participating in a bulk sampling evaluation program of a recently discovered large body of gold-bearing material located in southern British Columbia. Details of this program will be released upon the successful completion of these negotiations.

The company as of November 19, 1984, has a capitalization of 2,795,000 shares issued and a working capital of C\$2.1 million (represented by cash).