

Susie Gold

SUSIE GOLD MINES LTD.

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The trenching program on the Carie anomaly has just been completed and geological surveying is continuing so that a grid drilling program may be initiated on this anomaly. Drilling on the Bull's Eye anomaly (anomaly #2) is continuing with an HQ size drill. The results of the Company's Winkie drill program, holes 1-10, and the NQ holes 11-19, and the HQ holes 20-22, which were completed May 17, 1978, are attached. Comparisons of deposits which are being considered for production such as the underground Gays River development in Nova Scotia (7% combined Pb-Zn, no silver and cut-off grade of 2.4%, Northern Miner, May 18, 1978) or the Cyprus DY deposit, (George Cross Newsletter No. 69, April 11, 1978) show that the Susie Gold Mines Ltd. Wasi Lake property may have open-pit large tonnage potential and is indicating sufficient grade. The directors of the Company feel that further development work on the property is warranted. Some of the favorable factors to the Wasi Lake property are the proximity to rail head, depth to the ore from surface and grade.

The drilling program has been progressing satisfactorily with both footage and recovery being excellent. With most of the technical problems of drilling solved on the property, the Company is now better able to focus on expanding geological surveying, the drilling program and an extensive geochemical program.


J. Paul Stevenson, Director