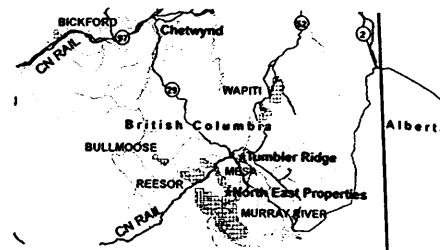


Hillsborough finalises Anglo Coal deal



Location of Hillsborough's ground in northeast BC

CAIJIAYING ASSAYS

Griffin Mining Ltd's 2005 exploration programme at its Caijiaying zinc mine in northern China (MJ, July 29, 2005, p9) discovered a new zinc-mineralised target at Zone II (East). Holes intersected better intervals of 52 m at 5.45% Zn from 72 m down the hole, and 4 m at 7.61% Zn from 92 m down the hole. At Zone II (Central), a hole intersected 10 m at 2.21 g/t Au, and also 8 m at 228 g/t Ag from 171 m down the hole.

COZAMIN ASSAYS

Capstone Gold Corp has intersected polymetallic mineralisation during underground drilling at its Cozamin property in Mexico (MJ, November 25, 2005, p11). The recent holes tested the Mala Noche vein, which remains open along strike and down-dip. The results are to be included in a resource estimate later this year. These are the better of the results:

Hole	True width (m)	Ag (g/t)	Cu (%)	Zn (%)	Pb (%)
CG-05-U83	6.54	93.0	3.3	0.7	0.1
CG-05-U99	9.52	73.7	3.0	0.5	0.1
CG-05-U101	7.88	114.9	4.7	1.0	0.4
CG-05-U103	5.40	245.8	2.8	3.8	0.9

CAMEC'S DRC JV

Central African Mining & Exploration Co plc has acquired International Metal Factors Ltd, holder of a 75% interest in a copper-cobalt sales, marketing and distribution joint venture in the Democratic Republic of Congo for US\$80 million, in cash (US\$25 million) and shares. The JV was established to handle products from copper-cobalt properties in Katanga Province. A cobalt heap-leaching facility at Luita on the properties is expected to begin operations this month.

FINNISH COPPER ASSAYS

Vulcan Resources Ltd has completed exploration drilling at the Wallaby zone of its Kylylahti copper project (MJ, November 18, 2005, p10) and at the Peura-aho property, both in Finland. The holes at Kylylahti (denoted OKU) tested a poorly-defined portion of the zone, and the results indicate the presence of strong mineralisation beyond the limits of the current resource. The Peura-aho holes confirmed shallow, high-grade nickel sulphide mineralisation (denoted SMS/PA). The better of the recent holes returned:

Hole	From (m)	Int (m)	Cu (%)	Co (%)	Ni (%)
OKU-915	253.00	12.85	1.51	0.31	0.30
OKU-917	393.00	11.60	1.10	0.72	0.20
OKU-918	394.00	8.00	2.15	0.42	0.10

HILLSBOROUGH Resources Ltd has finalised its previously-agreed deal with Anglo American plc's subsidiary, Anglo Coal.

A letter of intent was signed last year, outlining the agreement, and a C\$4.5 million bridging loan was supplied by Anglo Coal at the time (MJ, October 7, 2005, p10).

The agreement relates to a number of coal properties held by Hillsborough. The properties have been split into two separate projects, each subject to separate joint ventures between the companies.

The first project, named Horizon, includes three blocks (including the Horizon block) of the Five Cabin property, and the Murray and Waterfall properties. Hillsborough has started mine-planning and pit design on the

Horizon block.

The second project is named Murray River Group, and includes the South-ridge block at Five Cabin, plus the Tent Fire, Prospect, Turning Mountain, Mesa, Reesor and Bullmoose properties.

Under the terms of the agreement, Hillsborough will continue with its work at Horizon, and the bridging loan will convert to a three-year loan.

During the period of the loan, if Hillsborough decides to develop the Horizon mine, Anglo Coal can convert the loan and its accrued interest into a 60% interest in the Horizon project.

The Horizon mine would then be developed with each party contributing pro rata. If Hillsborough's costs to reach a development decision exceed C\$2.5 million from the time the agreement takes effect, the amount exceeding

will be credited to Hillsborough against its share of future development costs.

At Murray River, Anglo Coal will take immediate management responsibility, and can earn a 51% interest in the properties by spending C\$5 million over three years, or a 60% interest by spending C\$8 million.

Development would then proceed with the companies funding pro rata, until a development decision is reached. At that time, Anglo Coal has the right to increase its interest to 70% by paying Hillsborough a further C\$5 million.

Furthermore, Hillsborough has been granted a 1% mine-gate royalty on production from all the properties.

Anglo Coal has marketing rights over production for five years from first production from either of the joint ventures.

Vancouver attracts numbers to hear the state of exploration

THE high level of interest in mineral exploration taking place in North America and worldwide was demonstrated in Vancouver at the end of last month by the attendances at the Cambridge House International show and the Association of Mineral Exploration British Columbia (AMEBC) Round-up, writes Ed Schiller.

These back-to-back events showcase activity in the mineral exploration world.

INVESTOR INTEREST

The Cambridge House show features junior companies, for the most part Canadian-listed but also some US, Australian and London-based companies, presenting their projects by way of attractive booths and graphic presentations. Over 8,000 investors, stockbrokers and company personnel were exposed to 320 companies exploring worldwide.

Talks by newsletter writers and broker analysts were overwhelmingly attended - in some cases standing-room attendees were jammed into the meeting rooms. The response by such a record-breaking crowd reflects the high level of interest in mineral explorers and desire of participants to determine how they are going to invest their money.

ROUND UP THE INDUSTRY

The AMEBC show, or 'Round-up' as it is known informally (AMEBC was previously known as BC & Yukon Chamber of Mines) was also a record-breaking event, with 5,400 attendees.

The theme was 'striving for excellence in exploration', and an outstanding cross-section of sessions was presented on these topics. The AMEBC has more of a technical format than

geotechnical, drilling, laboratory, remote sensing, computer applications (such as GIS) and other related services available to the minerals and mining industry.

The presentations emphasised advanced exploration projects and comprehensive reviews of metals, attracting large audiences to all presentations.

The unanimous verdict was that the show was the "best yet", as the attendees came away with a comprehensive knowledge of where the mineral industry is going this year and in years to come. (Further information for obtaining copies of the presentations in CD form is available from www.amebc.ca)

The awards night featured the presentation of the Hugo Dummett Award for excellence in diamond exploration and development to John Gurney of South Africa. Dr Gurney is the first recipient of the award.

Mr Dummett, in association with Dr Gurney, was instrumental in the development of the Ekati diamond mine in the Northwest Territories. He died in a car accident in South Africa in 2003. Dr Gurney is a renowned diamond expert and is considered by many to be the best diamond geologist in the world.

The keynote speakers featured Don Lindsay, chief executive of Teck Cominco Ltd; Aaron Regent, president of Falconbridge Ltd; Tom Albanese, head of copper and exploration at Rio Tinto; and Tim Snider, president and chief operating officer of Phelps Dodge Corp. Other speakers included senior officers from other companies.

A number of short-courses were presented, ranging from uranium deposit-type reviews, to great metallogenetic prov-