

*M. Milligan*

**PROJECTS**

Continental Gold Corp. recently updated progress on its 70%-owned Mt. Milligan gold-copper deposit near Prince George, British Columbia, Canada. BP Resources Canada Ltd. is the co-venturer and operator.

On-going core drilling has outlined a massive, blanket-shaped deposit 4,300 ft long by 3,100 ft wide and up to 880 ft thick, as shown in the accompanying figure. The current geologic model shows Mt. Milligan reserves as 200 million st grading 0.025 oz/st gold and 0.30% copper. The principal delineation drill holes recently completed within the main Mt. Milligan deposit have returned improved grades which are

Zone	Hole No.	Intercept (ft)
66	89-184	297.1
MBX	89-185	1,089.0
VEIN	89-192	45.9
MBX	89-197	496.8
MBX	89-198	531.4

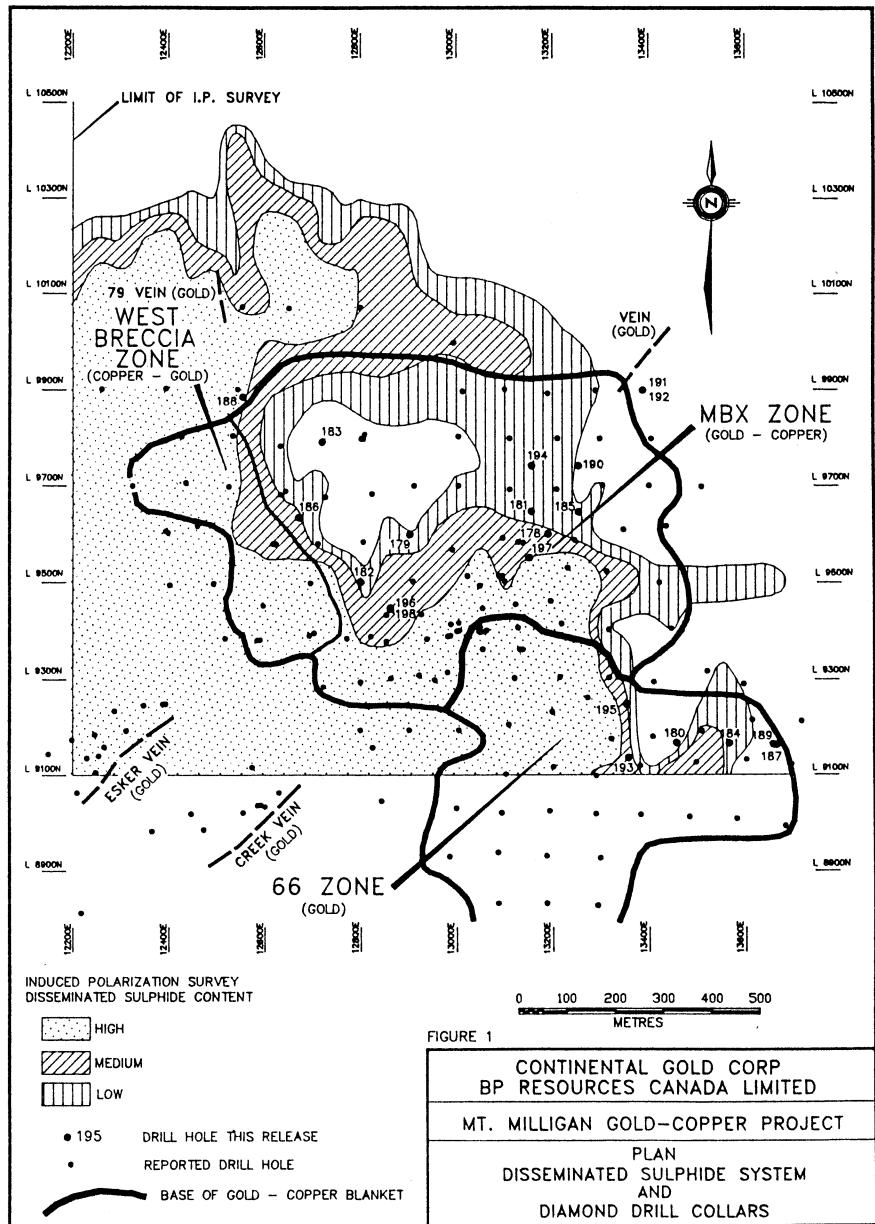
Zone	Copper (%)	Gold (oz/st)
66	0.02	0.107
MBX	0.30	0.011
VEIN	0.34	0.325
MBX	0.43	0.053
MBX	0.44	0.052

Widely spaced drill holes have identified several radiating, high-grade gold veins peripheral to the larger disseminated deposit. A new vein discovery was made by drill hole 88-192 which cut 90.5 ft of 0.191 oz/st gold and 0.44% copper. Sixteen other holes returned results showing intercepts from 43.9 to 1,089.0 ft grading 0.008 to 0.132 oz/st gold and 0.02 to 0.44% copper.

The company believes that these results confirm reserve continuity and significantly upgrade the deposit's gold content. Current reserves are in excess of 4 million ounces of gold and 1.2 billion pounds of copper.

Ground and airborne geophysical-exploration surveys have just been completed over the entire 42 mi<sup>2</sup> property as well as a region south and west of the current deposit area. The surveys have identified at least two new major sulphide systems on the property, with response magnitudes similar to that of the Mt. Milligan deposit. Drills are being moved to these deposit targets.

Geochemical soil anomalies have



identified new targets on which drill testing is or will be underway and include

- a 1,200 ft southern extension to the 66 gold zone.
- a major sulphide system approximately 3,300 ft southwest of the Mt. Milligan deposit.
- a major sulphide system centered about 5,500 ft west of the Mt. Milligan deposit.

Although the company has a success factor of over 90% for 160,000 ft of drilling in 210 holes, the exploration of the deposit has just begun.

Reinforcing this point are the results of a new, 1,044-ft exploration hole drilled 2,000 ft southwest of the Mt. Milligan deposit. The hole was spotted to test a recently established geophysi-

cal anomaly which indicated a major sulphide system. The hole yielded 753 ft grading 0.32% copper and 0.007 oz/st gold and a further 256 ft grading 0.39% copper and 0.009 oz/st gold. The company claims that this confirms the discovery of a major new copper-gold deposit. Further drilling is underway to delineate this zone.

**Newhawk Gold Mines Ltd.** reported that its second stage-program at Sulphurets, near Stewart, British Columbia, has completed 1,185 ft of decline to the 1200 level, and that 23,000 ft of underground diamond drilling began in July. A short crosscut driven from the bottom of the decline discovered a new zone, named the R-8, which showed

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