

90-30: ~47ft. e.42Au, 31Ag

887473

→ S1B

## The search for gold at Eskay Creek

The search for gold at Eskay Creek began in the summer of 1932 when prospectors entered the Stikine Valley. After weeks of work, they staked a number of claims in the Eskay Creek area covering what they perceived to be the heart of the gold bearing zones. The claims ran in a northeast-southwest direction, and covered a major fault.

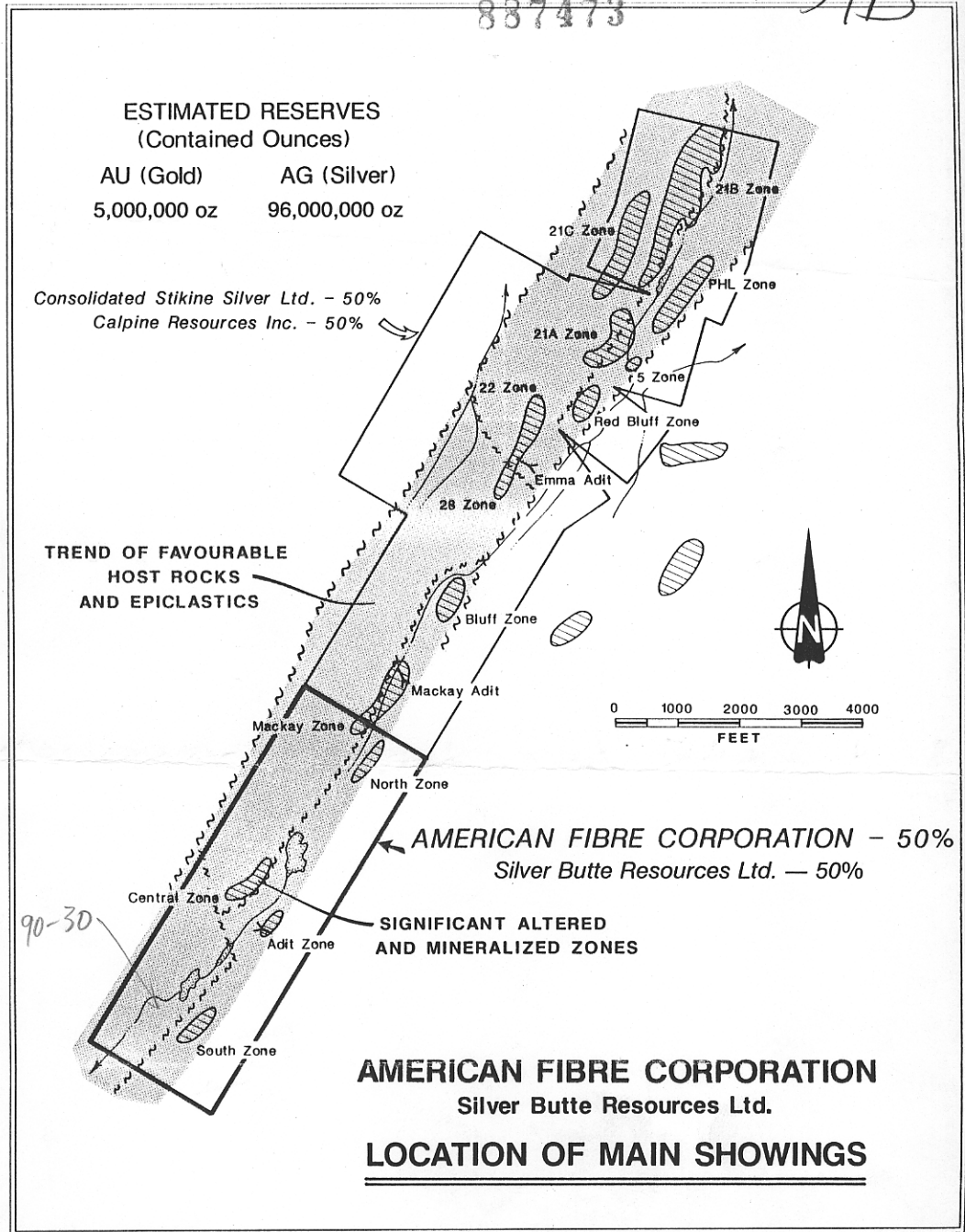


Surface prospecting on AFB's property has already located numerous surface outcrops assaying up to 2.17 ounces of gold per ton!

In 1972, the claims were divided. Stikine Resources took the northern claims and Silver Butte the southern ones. In June 1988, two further agreements were negotiated. Calpine agreed to earn a one-half interest in Stikine's 1,200-acre site, and American Fibre Corporation agreed to earn a one-half interest in Silver Butte's 800-acre prospect.

In September 1988, Calpine/Stikine proved the old timers right when they announced the discovery hole on the now famous "21 zone". The 21 zone—with an average width of 50 feet—has thus far been traced 3,600 feet along the Calpine fault line that trends northeast to southwest towards the American Fibre property. The southern extension of the trend has not as yet been tested by drilling, but numerous surface showings have been identified on the American Fibre claims along the fault line.

Despite the enormous deposit outlined so far, it wasn't easy at first to locate the Calpine/Stikine ore body: over 80 holes were drilled with only modest re-



American Fibre's claims host the same rock formations and fault zones as the immediately adjacent Calpine/Stikine property.

sults. Finally, the property was subjected to an induced polarization survey to locate promising anomalies for drill targets.

Only after hole #109 returned 0.875 ounce of gold per ton and 0.97 ounce of silver per ton over 682.2 feet—including a 62.3 foot section grading 7.765 ounces of gold per ton—did the mining community

realize that the Calpine/Stikine prospect had the makings of a truly major mine.

The induced polarization survey—which shows the areas that host sulphide minerals, i.e. those areas most likely to be mineralized—located the subterranean anomaly that became the now-famous 21 zone.