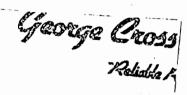
NO.173(1990) SEPTEMBER 7, 1990



## KESTREL RESOURCES LTD. (KRZ-V)

FIRST DRILL HOLES ENCOURAGING - Diamond drill testing of a series of targets on

the Stu No.1 and Stu No. 2 claims started September 4,1990. The property, located in the Iskut River area. 40 km north of Stewart. B.C., is a joint venture between Kestrel Resources, 50%, property operator and CLIFTON STAR RESOURCES LTD. (CFO-Y) 50%.

Robin Foreshaw, Kestrel president reported previous exploration on the property discovered veins which assayed up to 2.1 oz. gold per ton in an area of the property called Billy Goat Bowl. Also discovered were massive sulphide boulders assaying 0.6% copper, 20% combined lead- zinc, 6 oz. silver/ ton, 0.6 oz. gold/t. A large copper gold skarn was found over 1,000 meters along strike and up to 70 meters wide. Assays in excess of 2% copper have been returned from trench samples from the zone. In the area of the skarn, grab samples have assayed as high as 0.9 oz. gold per ton. This target has been confirmed by a UTEM geophysical survey which located an anomalous target coincident with the surface trace of the skarn zone. Drill hole STU 90-1 drilled to test the skarn area encountered a large breccia body with mineralization over the 80 foot intersection.

Assays have been received from six of the 13 holes drilled on the KRL claims in the same area: No.KRL-90-2 cut 2 feet assaying 0.326 oz.gold/t; No.KRL-90-3 cut 2 ft assaying 1.122 oz. gold/t and 2 feet assaying 0.454 oz. gold/t. Remaining assays are expected Sept.7,1990.

Exploration is also underway on other propeties held by Kestrel Resources in the area.