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WESTERN CANADIAN INVEST

KOKANEE EXPLORATIONS LTD. (K00-V)

VINE RESERVE ESTIMATES - Alan Farmer, CEO, reports
Kokanee Explorations Ltd.

has conducted an assessment of data from exploration on the 90%-owned Vine property, 16 km south of Cranbrook, B.C. The Vine vein is traced over a continuously mineralized strike length of six km and to a depth of 800 metres and is open. Drilling has explored the south end of the structure over a strike length of 700 metres and to a depth of 800 metres. Massive sulphide-quartz occurs in steeply-dipping chutes within the vein structure. Internal calculations from 54 holes and 38,000 feet of diamond drilling indicate reserves of:

	<u>TONS</u>	<u>LEAD</u>	<u>ZINC</u>	<u>SILVER</u>	<u>GOLD</u>
Proven (1)	264,000	5.20%	2.24%	1.961oz	0.056oz
Probable(2)	337,000	4.22%	2.51%	1.16oz	0.051oz
Possible(3)	<u>900,000</u>				
Total	1,500,000 tons				

(1) Proven reserves - diluted to 2.44 metres (8') mining widths assigned to areas within a radius of 50 metres of drill holes. (2) Probable reserves - diluted to 2.44 metres (8') mining widths assigned to areas within a radius of 100 metres of drill holes. (3) Possible reserves - estimate of tons which could be proven and probable by further infill drilling.

Preliminary metallurgical tests conducted by Cominco at Trail, B.C. indicate the ore is amenable to treatment by the Sullivan concentrator at Kimberley for silver lead and zinc but not for gold. Gold recovery is poor in the Kimberley flowsheet. Therefore processing in the Kimberley concentrator appears unfeasible. A "stand alone" mill must be considered.

Accordingly, before starting underground development, the present reserve base must be expanded by a further program of deep drilling designed to follow the promising results obtained in hole No.41 where combined values of 22% lead and zinc were evidenced over economic mining widths. Kokanee will seek a partner to participate in the project. (SEE GCNL No.211, OCT.31/90, P.2 FOR PREVIOUS DRILL RESULTS)

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