



If a good place to look for a mine is next to an old one,
then the best place must be next to BC's Biggest Mine...

British Columbia's Sullivan Mine produced an incredible 18 billion lbs of zinc, 18 billion lbs of lead, 300 million oz of silver and many other valuable metals



PDAC
March 2005

TWENTY
BILLION
DOLLAR
LEGEND

**2nd Drill
Now
Coring
at SD2**



Stikine Gold Corporation (SKY.TSXv) is a publicly listed junior mineral exploration company conducting exploration drilling at the **Sullivan Deeps Project**. The project is located only 4km north of BC's biggest dollar-value mine, the historic Sullivan Mine, valued by the province at \$20 billion based on today's metal prices.

Following the old mining adage, "a good place to look for a mine is next to an old one", Stikine made an historic discovery of Sullivan-style SEDEX sulphides in its first drill hole, completed in late-2004. Building on this success, the Company is focused on quickly evaluating the size of the newly identified lead-zinc-silver system, potentially the big sister of Sullivan, and has already commenced its Phase 2 exploration program with two drill rigs on the ground.

British Columbia's Sullivan Mine produced an incredible 18 billion lbs of zinc, 18 billion lbs of lead, 300 million oz of silver and many other valuable metals. Defining a new and similar deposit would echo around the world as one of the most significant discoveries in recent times.

Sullivan Deeps

www.stikinegold.com

BC's Largest \$Value Mine to Date



18,545,264,216 lbs Pb
17,514,325,312 lbs Zn
297,850,947 oz Ag
21,390,226 lbs Sn
11,258,323 lbs Cu

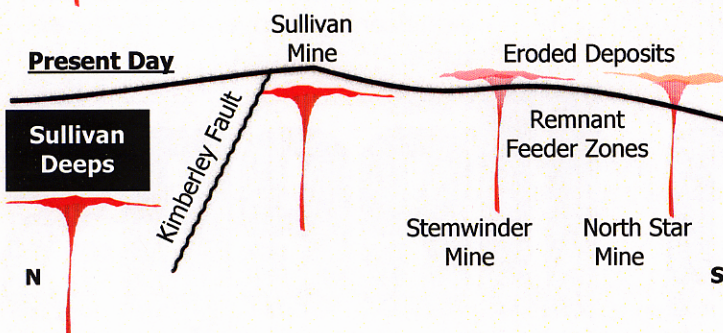
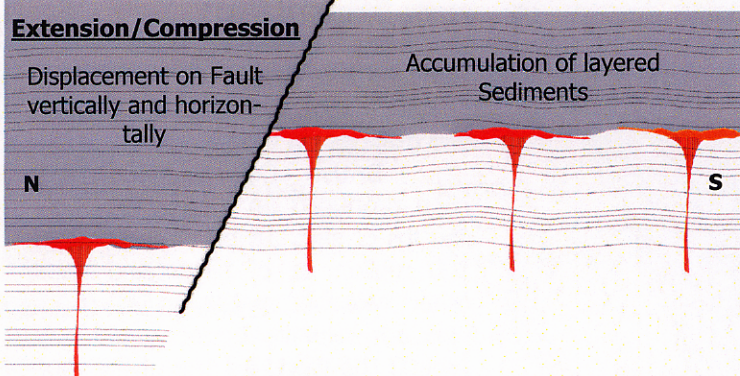
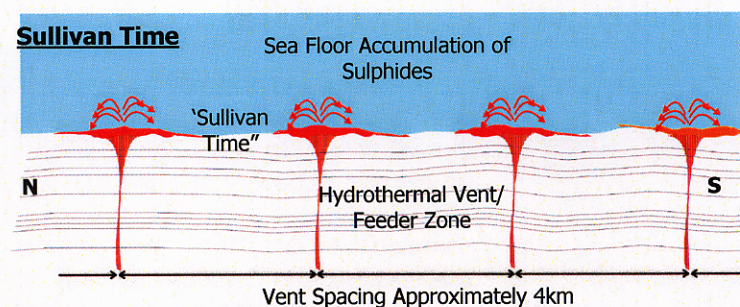
The Sullivan Mine is located at Kimberley in the East Kootenay region of British Columbia. Like the town's development itself, much of southeast BC has benefited from infrastructure such as mills and smelters, hydropower, power distribution, roads and rail services that were originally established to service the legendary mine.

Many other communities have been influenced by the mine's long-term success, not the least of which

is the nearby town of Trail - the location of Teck Cominco's smelting and refining services, currently receiving concentrates from around the world.

The old adage "a good place to look for a mine is next to an existing one..." is very appropriate in this geological setting, but also the benefits of finding a deposit near existing power, communities and trained workforce, and smelter are economically significant.

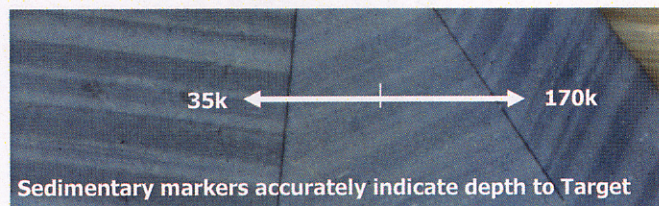
Hydrothermal Vents, Feeder Zones & Mineralized Corridors



Geologists and engineers at the Sullivan Mine have long speculated that a 'faulted-off' portion of the orebody may be located north of the mine. This theory came about when mining progressed to the north of the deposit and it was observed that the Kimberley Fault literally cuts the north end of the Sullivan deposit.

The current geological

Hydrothermal vents are also called feeder zones by geologists and generally occur along a structural break in the earth's crust, essentially lining up as a 'corridor' of feeder zones. The Sullivan Corridor includes the Sullivan Mine deposit, the Stemwinder Mine feeder zone and the North Star Mine feeder zone. In plan view these feeder zones align perfectly



model focuses on the style of mineralization; known as 'sedimentary exhalative' or SEDEX. These deposits form at the seafloor as a result of metals belching from 'black smokers' or hydrothermal vents. These vents are like hot springs, but contain massive quantities of sulphide minerals containing lead, zinc, silver and tin at the Sullivan.

and the geological interpretation at left shows how the Stemwinder and North Star SEDEX deposits have been eroded away over time to the present day topography. Sullivan Deeps is in this corridor and has been preserved by virtue of its depth.

December 2004 Geophysical Results Confirms Large-Scale Target

SKY's first drill hole is interpreted to have intersected the Sullivan Deeps target in the south western fringe of the system. Following the drill program, a recent UTEM4 survey successfully delineated a strong conductive anomaly at and around the Sullivan Deeps Discovery intersection in SD#04-01 and confirms that it has a large scale footprint in the area previously identified by the 1996 UTEM survey carried out by previously. It is clear from the data that the centre of the conductor is located to the north of the drill hole, and the large anomaly amplitudes are evidence of a large conductor.

The anomaly is extremely conductive, calculated to be in excess of 5,000 Siemens as compared to the 80-100 Siemens range estimated and used in the 1996 survey. This high value is attributed to the fact that lower frequencies employed in this survey permitted differentiation between highly conductive pyrrhotite and weakly conductive host rocks. Pyrrhotite is known to occur throughout Sullivan and is a key targeting mineral for Sullivan Deeps whereas the zinc mineral Sphalerite is not conductive. The in-hole conductor is coincident with the Sullivan Deeps sulphide interval intersected in SD#04-01.

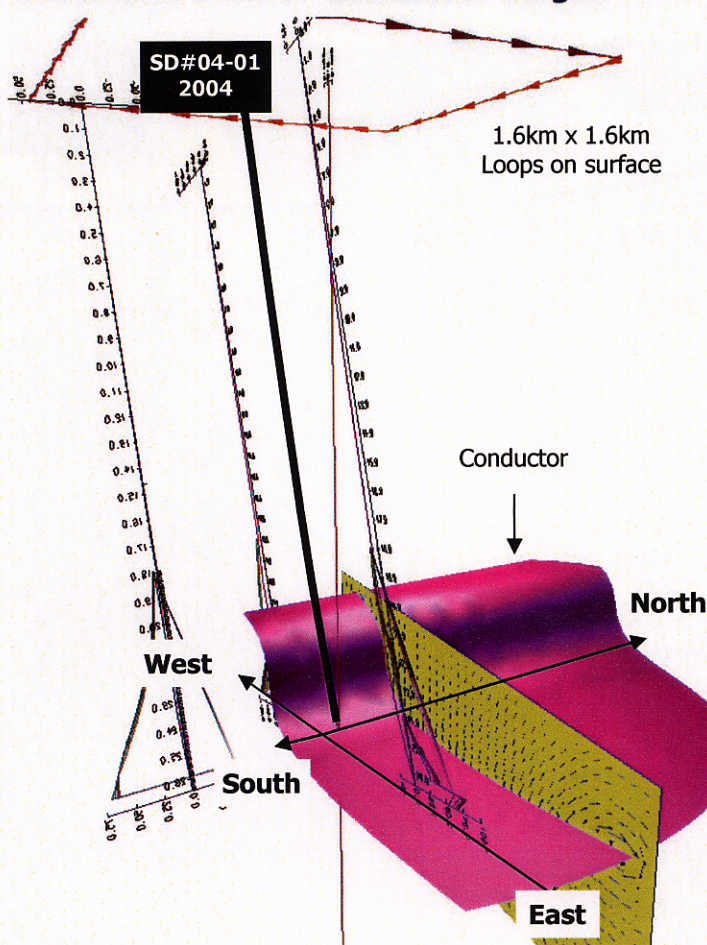
Further, limits and spatial orientation of the overall anomaly have been estimated based on the response from a number of measurements taken down hole from electromagnetic fields generated by three

1.6 by 1.6 km (1 mile by 1 mile) loops on surface. As previously interpreted from geological considerations, the geophysical interpretation shows the drill hole intercept is located near the south-western limit of the conductor and the following directional models

trol point only 400 m up dip and observed in a previous deep drill hole. This important observation indicates the anomaly is caused by a body not previously connected to the Sullivan Mine deposit and therefore may represent an entirely new and separate SEDEX sys-

tem within the Sullivan sub-basin, host to Sullivan, Stemwinder and North Star Mines. **East** – the model conductor has an apparent termination at a minimum distance of 650m (2,130 feet) east of the drill hole intercept. Geological modeling indicates that this may fix the location of the steep NNW dipping Kent Fault. The Kent Fault is a normal fault with an estimated displacement of up to 500m (1,640 feet), implying that the rocks to the east are up to 500m higher than on the west. The geophysical response does not preclude the presence of a separate (not connected electrically), large and shallower conductor east of the Kent Fault. Modeling suggests the conductor between the hole and Kent Fault dips gently westerly. These conclusions provide a very compelling exploration op-

Schematic View of Conductor Target



provide 'best-fits' to the response observed;

South – the conductor has a southern limit estimated to be approximately 300m (985 feet) south of the drill hole intercept, and this limit is estimated to be 450m (1,475 feet) north of the Kimberley Fault. This estimate is well established and projected from a con-

tem within the Sullivan sub-basin, host to Sullivan, Stemwinder and North Star Mines.

North – the conductor is described as being 'OPEN' to the north of the hole, meaning that its actual length is very long and that it cannot be accurately estimated by the data collected. One model indi-

December 2004 Geophysical Results Confirms Large-Scale Target

portunity since the target horizon east of the Kent Fault is estimated to be more than 500m closer to surface than the intersection depth in SD#04-01.

West – much of the prior deep drilling on the property is interpreted to be on the western boundary of the Sullivan sub-basin and

Stikine's drill hole discovery in SD#04-01 announced on October 1, 2004 also indicated thickness and mineralogy analogous to the western fringe area of the Sullivan deposit. Modeling of the geophysics indicates a folded conductor consistent with the folded stratigraphy identi-

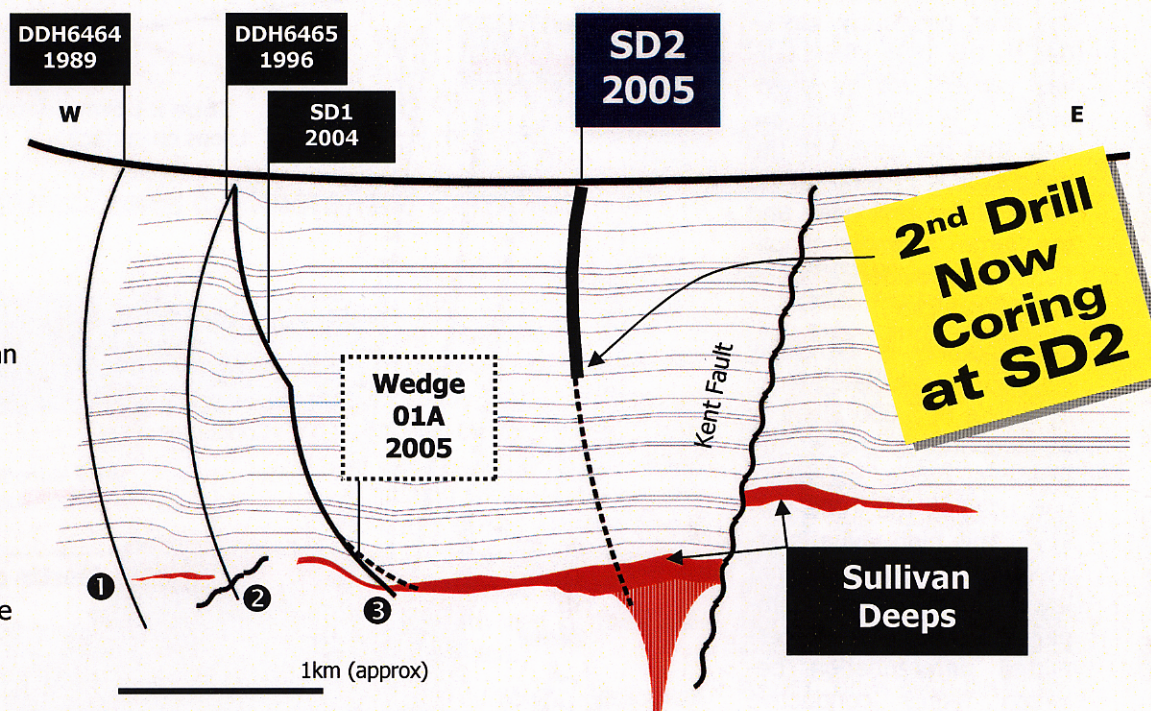
fied during drilling of SD#04-01. The interpretation clearly locates the drill hole intercept on the western fringe of the conductor and establishes a western boundary for the Sullivan sub-basin, and north-trending mineralized corridor.



Exploration History and Interpretation of Results



- ① Debris Flow Sulphides intersected at Sullivan-Time stratigraphy
- ② Fault Window—1996 UTEM Survey shows 3kmx3km conductor at Sullivan Time
- ③ October 2004 intersection of SEDEX sulphides at Sullivan Time. Subsequent UTEM4 Survey confirms size and orientation of conductor



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Capital Structure

Shares Outstanding = 23,824,417

Market Cap @ \$0.45 = \$10.7m

Working capital (approx.) = \$ 500,000

No debt

Fully Diluted Shares = 33,271,917

Fully Diluted Cash = \$3m

• Warrants	= 7,550,000 @ \$0.25
• Agent Warrants	= 147,500 @ \$0.25
• Stock Options	= 885,000 @ \$0.35
	= 865,000 @ \$0.25

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