

Signet gets significant assays trenching extension of newly found shear zone

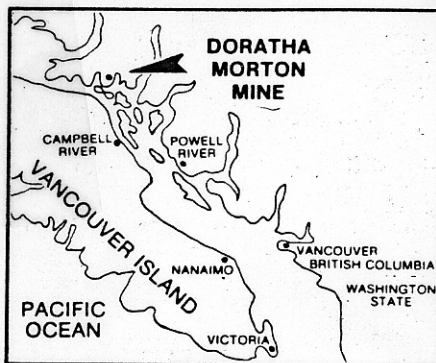
VANCOUVER, BC—Signet Resources Inc. (SGZ:VSE) has received further assays on its current trenching program at the newly discovered northern extension of the Doratha Morton shear zone, located on the west side of Phillips Arm on the west coast of British Columbia.

The following samples in feet were taken across the mineralized section of the shear zone:

Trench	Width	Oz Au/t	Oz Ag/t	Description
T1	1.64	3.38	13.3	Quartz, well mineralized
	6.56	0.297	1.17	Quartz and shear
	1.64	0.028	1.14	Shear, minor pyrite
T2	1.64	0.474	1.69	Well mineralized
	6.56	0.206	0.82	Includes above & minor pyrite
T3	1.64	0.420	1.17	Well mineralized
	6.56	0.059	0.19	Includes poor mineralization

Bernard Fitch, president, says the trenching program is continuing. He notes that the extension is probably the most significant find encountered since moving away from the old workings. The zone appears to be significant in terms of both values and size, he says, with 150 feet of continuous mineralization. Signet is expecting the values to continue to depth.

Fitch says the company plans on diamond



drilling the zone to add to tonnage figures.

The company anticipates resuming drilling by the end of August and hopes to continue through the winter. Last year Signet drilled into February.

Fitch says he believes the property deserves a C\$500,000 drilling program to prove tonnage. After a program of that size, he says the company will have a better idea of the property's potential.

Signet recently completed a rights offering that netted the company C\$75,000 from existing shareholders, and is currently negotiating a private placement to raise more funds.

Signet has spent more than C\$400,000 on the eight contiguous crown-granted mineral claims, which are at the 2,500-foot level and accessible by logging roads after travel by boat from Campbell River, some 30 miles to the south.

The company has earned a 100% interest in the property with the vendor retaining a 10% net profit interest should the property be brought to production.

The claims were first staked before the turn of the century and records indicate that more than 4,000 ounces of gold and 10,000 ounces of silver were recovered from 10,000 tons of ore mined during a two-year period. A cyanide mill was built on the shore of Phillips Arm.

Further development and mining were carried out during the 1930s when several shipments of hand-sorted ore were taken to the Tacoma smelter. No work was conducted on the property in recent years until 1983.

The shear zone on which the mine is located has been traced for over three miles and where exposed on the Doratha Morton

property has a width of up to 100 feet. Within the shear zone itself are quartz veins up to eight feet wide, quartz veinlets and lenses, silicified intrusives, and gouge material.

A systematic program of exploration has been conducted over the past three years that has included road construction, opening up of the old underground workings, random sampling, trenching, and about 4,000 feet of diamond drilling in three areas.

Fitch reports that the results have been very encouraging, with numerous surface and underground channel samples returning values from 0.10 ounces per ton over several feet to 1.23 ounces of gold per ton over six feet with grab samples from high-grade stringers assaying up to 7.03 ounces of gold per ton.

Surface drilling in 1984 south of the old workings encountered the extension of a mineralized zone beyond the unmined drift. The best drill intersection was 1.18 ounces of gold per ton over 5.0 feet.

The area contains a probable tonnage of 10,000 tons averaging 0.40 ounces of gold per ton, says Fitch. Plans are to follow the zone to the south.

Another mineralized structure located to the north of and parallel to the old workings was drilled in 1985. Six of 10 short holes over a surface distance of 350 feet intersected values greater than 0.10 ounces of gold per ton with the best intersection being 0.76 ounces of gold per ton over 5.0 feet.

Signet will be concentrating on surface examination of the remaining claims as only two have received attention to date as well as short hole development drilling.

In the Casa Berardi gold camp of north-western Quebec, Signet has acquired an interest in 22 contiguous claims in Estrees Township. D.W. Tully, P.Eng., has recommended a C\$40,000 first-phase geological mapping and geophysical surveying program, to be followed by diamond drilling if initial results are favorable. ✕

Gallant ends B.C. drill program

ROSSLAND, BC—A first-stage drilling program totaling 2,270 feet has just been completed on Gallant Gold Mines Ltd.'s gold property near Rossland, British Columbia, says Richard Hughes, president.

Although no significant gold assays were intersected on the first four of five zones, some highly encouraging assays were received in surface bulk samples.

Assays on the fifth zone are pending. Numerous geophysical anomalies remain untested and sampling is incomplete.

Hughes says that all data will be assessed following receipt of final assays.

Gallant trades on the Montreal and Vancouver stock exchanges under the symbol GAG. ✕



Kettle River's large excavator and dump truck, used in digging through the 10 feet of glacial sand covering the compacted river gravels on the company's Tulameen River property in the Princeton-Tulameen area of southern British Columbia. This channel sampled well in coarse gold and platinum, and permits have been secured for a testing program.

Kettle River preps for late-August diamond drilling in Greenwood