

CHENI GOLD MINES INC. (CZG-T,M)

DRILLING CONFIRMS ZONE EXTENSION - Cheni Gold Mines Ltd.

reports a 19-hole

underground diamond drilling program to test the down dip extension of the Phoenix zone is nearing completion at the Lawyers mine, 200 miles north of Smithers, B.C. in the Toodoqqone region. SEE DRILL RESULTS OVERLEAF

P.1. The program confirmed the continuation of the zone to depth with the structure still open to depth and along strike to the east. Results of the program will be used to develop drill targets for future exploration.

In a related development, Cheni has completed mining and milling the Phoenix zone deposit. In total, 5,439 short dry tons were mined and milled at a calculated head grade of 1.35 oz. gold/ton and 62.89 oz. silver/ton. The mill was modified to produce dore bars and a flotation concentrate. The cumulative recovery for gold and silver averaged 91.7% and 89% respectively. (SEE GCNL No.217, 10Nov92, P.1 FOR CHENI INTERIM REPORT)

94E 66

P 1 of 2

Hole No.	Intersect.		Intersect. Length	Assay Oz/T	
	From	To		Au	Ag
PX92-01	18.59 - 19.00		0.41m	.30	12.60
	19.00 - 19.09		0.09m	3.445	69.05
	<u>19.09 - 19.22</u>		<u>0.13m</u>	<u>.03</u>	<u>11.60</u>
	COMPOSITE		0.63m	.694	20.46
PX92-02	26.93 - 27.20		0.27m	.346	29.83
PX92-03	35.59 - 35.95		0.36m	.05	1.94
PX92-04	43.70 - 44.10		0.40m	.03	3.24
PX92-05	34.62 - 34.86		0.24m	.02	1.61
PX92-06	NO HIT				
PX92-07	35.89 - 36.69		0.80m	.325	21.65
PX92-08	21.03 - 21.54		0.51m	.02	12.79
	21.54 - 21.84		0.20m	.302	20.24
	<u>21.84 - 22.60</u>		<u>0.76m</u>	<u>.366</u>	<u>17.84</u>
	COMPOSITE		1.47m	.237	16.41
PX92-09	40.34 - 41.08		0.74m	.06	7.36
	41.08 - 42.00		0.92m	.502	23.50
	<u>42.00 - 43.10</u>		<u>1.10m</u>	<u>.05</u>	<u>5.90</u>
	COMPOSITE		2.76m	.203	12.16
PX92-10	60.55 - 60.71		0.16m	.02	10.53
	<u>60.71 - 61.73</u>		<u>1.02m</u>	<u>3.646</u>	<u>104.662</u>
	COMPOSITE		1.18m	3.154	91.898
PX92-11	52.59 - 53.60		1.01m	0.266	29.72
	MINERALIZED PORTION OF 4.4m WHITE QUARTZ VEIN				
PX91-12	NO HIT - LIMONITIC ZONES NO SIGNIFICANT VALUES				
PX92-13	76.23 - 76.38		0.15m	2.427	175.26
	76.38 - 76.74		0.36m	2.654	182.65
	<u>76.74 - 76.88</u>		<u>0.14m</u>	<u>0.064</u>	<u>3.42</u>
	COMPOSITE		0.65m	2.043	142.34
PX92-14	90.12 - 91.12		1.00m	0.022	3.67
	91.12 - 91.91		0.79m	0.042	10.05
	91.91 - 92.70		0.79m	5.390	208.18
	<u>92.70 - 93.51</u>		<u>0.81m</u>	<u>0.111</u>	<u>2.38</u>
	COMPOSITE		3.39m	1.299	52.51

All intersection lengths are core lengths not vein widths.

94E 66

p.2 of 2