

## Teryl Resources Creates a Buzz Near Bisbee's Copper Queen

By Christina de Wit

Teryl Resources (TSX.V:TRC) is set to take flight as it moves into the next stage of an ambitious drilling program on its Gold Hill property near Bisbee, Arizona. The company has just signed a drilling contract for the project, with work to commence as soon as a drill becomes available. The program will target several copper showings on the property. The Gold Hill Mine property comprises 14 patented mining claims that include the Old Gold Hill, Superior, and Baston mines. Old shallow placer diggings are found throughout the property as well as small shafts, pits and cuts. Gold Hill is located less than four miles west of Phelps Dodge's (since bought out by Freeport McMoRan for \$26 billion) Copper Queen/Lavender Pit, which was one of the world's biggest and richest mines during its heyday from 1954-1970. This open-pit operation yielded 75 million tons of gold, silver and copper ore for Phelps Dodge. The company has expanded its holdings in the area by staking another dozen patented claims near Copper Queen. Teryl has a chance to earn a 100% interest in the property, with a small royalty payable to the original owners.

Teryl's other major project consists of four strategically-located claim blocks (the Gil Project, the Fish Creek claims, the Stepovich claims, and the West Ridge property) in the Fairbanks Mining District of Alaska— where it is one of the main landowners- with holdings contiguous to Kinross' (TSX: K; NYSE: KGC) Fort Knox Project. Fort Knox is the largest producing gold mine in Alaska, with a 4,000,000 oz. Au ore deposit.

Other properties in the company's portfolio include a joint venture silver prospect located in northern British Columbia, as well as revenue-producing oil and gas projects in Texas and Kentucky.

Production in the Bisbee Mining District dates back to 1880 with the discovery of the copper carbonate deposit at the Copper Queen. New reserves are still being found, and as of 2006, there were 11 producing copper mines in Arizona. According to a monograph by Spencer Titley and Lukas Zurcher of the University of Arizona, the geology of the area is recognized as "Nevadan-aged plate convergence [which] was attended by formation of rhyolite calderas in a WNW-trending belt that overlaps the international border and, of which, Bisbee, Arizona (ca. 200Ma) may be a product. Extension of the Chihuahua terrane into southern Arizona reveals a distinctive crustal block characterized by Laramide igneous activity and Cu-related intrusion centered ore systems in a metal province than transgresses the border." Results on the property so far support such a hypothesis— with 3% Cu in surface sampling, with gold values as well. Recent very deep penetrating geophysics in Arizona has revealed new deep-seated copper resources previously unknown by past operators. The company's analysis of its geophysical info has defined 3-4 highly anomalous drill targets.

Teryl's strategy is simple in that it looks for deposits near major existing or former producers. This approach allows the company to maximize reward potential while mitigating risk for investors. The company is also applying this philosophy to its program in Alaska. Teryl has entered into a joint venture agreement with Kinross, with 80% Kinross/20% Teryl, on the Gil Project. The main Gil Zone consists of a 3000 ft. strike length. According to Teryl's website, the company has spent \$1.6 million on exploration that has defined a resource of 400,000 ounces of gold (10 million tons grading 0.04 ounces per ton gold).

The company's management isn't afraid to think big. "All we need to do is find another Fort Knox," says John Robertson, Teryl's president. The company also has a 50-50 joint venture agreement with Linux Gold (of which Mr. Robertson is also president), on the Fish Creek claims. The company has recently completed a \$400,000 private placement— with \$150,000 earmarked for drilling targeted zones on the Fish Creek property that were identified as geophysical anomalies.

Alaska is usually regarded as an expensive place to work; however, Teryl is particularly well situated to run a low-cost operation. The property is only 22 miles north of Fairbanks— hence workers can stay in town- thus eliminating the need for company-constructed housing. The area's infrastructure is excellent, given the property's close proximity to the Fort Knox mill and to a major highway.

Several key factors allow the company to offer its investors an attractive risk-reward ratio: the ability to defray its overhead costs; two work programs entering the drilling stage; properties in the backyards of major producers in historically rich (and politically stable) areas, and high metals prices.

Any exploration success at Bisbee will undoubtedly garner interest from the majors like Rio Tinto (owners of Bear Creek), Freeport McMoRan, and Newmont. Mr. Robertson is optimistic regarding the company's direction, as "the price of gold is moving to new highs, and Teryl is very well-positioned".

Teryl offers unparalleled value at its current price range- with the downside risk being minimal— while the ongoing program at Gold Hill shows very high upside potential. Few companies at this price range have this much potential. This could well be a play that floats like a butterfly— and stings like a bee.

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