

Teryl Resources Turns Drills to Historic Gold Hill

By Jon Shanahan

When Teryl Resources Corporation (TSXV: TRC, Pink Sheets: TRYLF) became interested in the Gold Hill Prospect near Bisbee, AZ, they were following a pretty strong lead – Historic Gold Hill, at a 5491-foot elevation, looks out for miles over the Warren mining district, a famously ore-rich region of the Southwest. Phelps Dodge Corporation's Lavender Pit mine, only 4 miles to the west of the project, is one of the most productive copper mines in history, producing over 75 million tons of copper ore from 1954-70, and in excess of \$1B in copper, gold, and silver.

Preliminary geophysical and geological testing on Teryl's properties in the region has been promising, and the company has recently signed a contract to begin drilling.

Teryl Resources turned an eye to the Gold Hill prospect in the summer of last year, and a number of indicators immediately urged closer inspection. A report by Frederic Rothermel, PhD, outlined a pattern of mineralization that moved from copper-rich/gold-poorer at the centre of the system to gold richer/copper poorer at the fringes – this pattern is consistent with features of the Carlin Trend in Nevada, which contains over 100 million ounces of gold in proven and probable reserves. This zoning pattern at Gold Hill is unique to the Warren mining district. Geophysical parallels to Lavender Pit are numerous, and further geological testing revealed significant gold values and a copper presence of up to 3% in surface assays.

John Robertson, President of Teryl Resources since 1982 states: "The Gold Hill project is an area which may have the potential to be developed into a large lode-type copper deposit. Our geologist feels that the anomaly is similar to that of the Copper Queen deposit (Lavender Pit)." With regard to possible quantities on the property, according to Robertson, "The sky's the limit."

The geophysical parallels to nearby producers are strong and compelling, but there are indicators that this is an unusually rich deposit area for the region. "One of the interesting parts of the property," says Robertson, "is that not only does it have very similar geophysical data (to the Copper Queen), but when the previous work was done on these targets from the Lavender Pit property and the Phelps Dodge properties, they didn't get any surface assays – they drilled it based on geophysical data. With our particular property we actually got some pretty high-grade values on the surface, which is very unusual for that area."

This indicates that the deposit could be even richer than the neighboring targets: "It's a better target, when you have not only the geophysical targets, but the geochemical targets as well."

Developing claims in an historic mining district has obvious infrastructural advantages: "(Gold Hill) is very close to previous producing mines, so there is the infrastructure there."

The property at the Gold Hill prospect currently comprises 248 acres, and the company is actively acquiring an additional 640 acres as drilling begins.

"The time to really capitalize on a stock is before the drilling commences," says Robertson, "Once Teryl starts drilling, then the anticipation of good results will increase the value of the stock. And if the results turn out to be positive, you could see the stock increase several-fold. The key time for investors to buy shares of a resource company is before the drilling program."

Alaska

Teryl Resources is also a main property holder in the Fairbanks Mining Division in Alaska. The company holds interest in a number of properties in the region – the Gil, West Ridge, Fish Creek, and the Stepovich Properties - all of which are near or adjacent to Kinross Gold's Fort Knox mine, the most prodigious gold-producing mine in Alaska, and the True North deposit, also owned by Kinross Gold.

Teryl has spent 1.6 million on exploration on the Gil property, and has defined a resource of 400,000 ounces of gold (10 million tons X 0.04 ounces per ton). The main zone that contains the resource reaches a thickness of 80 ft., and has been traced along a 2,500 ft. length.

The West Ridge property is 100% owned by Teryl, and anomalies of elevated gold in the soil show a presence of antimony and arsenic that is very similar to Kinross' neighboring True North Deposit (which has a defined reserve of 616,000 ounces of gold at 0.046 ounces per ton gold). Thus far, Teryl has spent \$350,000 on exploration of the property.

At the Fish Creek property – 50% owned by Teryl and adjacent to the north to the Gil property - an auger drill program has identified elevated gold

presence that suggests that the Gil resource extends into the Fish Creek property.

“We also have some drill targets that we’re planning on drilling in that area,” comments John Roberston. Once deposits are defined, the ore will be readily processed at Kinross’ nearby mill.

Other Holdings

Teryl Resources also has joint venture silver properties, and ongoing revenue from oil and gas projects in Texas and Kentucky.

For more info: www.terylresources.com

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