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## Whistler project starts to shine for Kiska Metals

Vancouver - News of promising drill intercepts, ownership certainty, and positive metallurgical results can each give a project upwards momentum, but **Kiska Metals** (KSK-V) is currently feeling the lift from all three as it advances its Whistler project in Alaska.

It started in early September, when **Rio Tinto** (RTN-N, RIO-L) decided it would not exercise its right to back in on the Whistler project. The major had the right to acquire 51% of the site by paying Kiska twice its \$30-million exploration expenditures and funding exploration through to the completion of a prefeasibility study. Instead, Rio decided to waive its interest and just take a 2% net smelter royalty.

With full control now in its hands, Kiska shifted the exploration focus at Whistler, which is 160 km northwest of Anchorage. Rio had been interested in testing multiple targets spread across the 530-sq. km land package, searching for a hit indicative of a huge deposit. The Whistler property is, after all, in the same geologic belt that hosts the massive Pebble deposit, home to 72 billion lbs. copper and 94 million oz. gold.

Kiska is more interested in expanding the known porphyry zones, all of which have seen only limited drilling and remain wide open. The best defined is the Whistler deposit, which is near the middle of the Y-shaped property. Whistler is already home to 30 million indicated tonnes grading 0.87 gram gold per tonne, 2.46 grams silver per tonne, and 0.24% copper plus 134 million inferred tonnes 0.64 gram gold, 2.18 grams silver, and 0.2% copper. A recent hole expanded the zone 80 metres farther south and 125 metres deeper when it returned 203 metres grading 0.44 gram gold, 1.15 grams silver, and 0.22% copper followed 100 metres later by another 244 metres of similar mineralization.

Three of the other known porphyry occurrences sit within 5 km of Whistler and are known as Raintree West, Raintree East, and Rainmaker. None carry a defined deposit yet but all three have returned interesting drill intercepts, such as 471 metres grading 0.38 gram gold, 4.7 grams silver, and 0.09% copper at Raintree West and 167 metres averaging 0.47 gram gold and 0.17% copper at Rainmaker. And all three are considered blind discoveries, as they do not outcrop and were found using geophysics.

The fifth, and currently most exciting, porphyry occurrence at Whistler is also the newest. The first hole into the Island Mountain target was drilled in late 2009 and it hit 383 metres grading 0.68 gram gold, 1.4 grams silver, and 0.1% copper. Now Kiska has followed up on that hit with eight new holes that define 250 metres of north-south strike in mineralized breccias and indicate the company may be on the edge of a larger porphyry laterally or at depth.

The porphyry indications came in hole 13, the latest hole released, which hit 362 metres grading 0.557 gram gold, 2 grams silver, and 0.11% copper from 42 metres downhole. Within that intersection the upper 115 metres presented as porphyry mineralization, with 1.25 grams gold, 4 grams silver, and 0.23% copper hosted by disseminated chalcopyrite plus pyrrhotite in association with feldspar and biotite alteration. Below the porphyry interval the core returned copper-gold mineralized hydrothermal breccia for 84 metres, followed by disseminated gold-pyrrhotite mineralization. Both the breccia and lower zone mineralization types correlate with earlier holes.

"We are certainly in the early stages of our interpretation of Island Mountain, but hole 13 is the best hole drilled to date," said Kiska president and CEO Jason Weber. "The recognition of classic porphyry-style mineralization suggests that the breccia bodies and lower zone styles of mineralization could be peripheral to a larger porphyry system."

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The results from hole 13, which was collared 100 metres north of the discovery hole, came out after those from seven previous holes at Island Mountain. In those holes Kiska stepped out 50 metres south as well as 50, 100, and 200 metres north of the discovery hole, drilling primarily to the east. The two holes drilled south of the discovery returned what Kiska is calling Lower zone-style mineralization, which is disseminated pyrrhotite-associated gold mineralization hosted in diorite intrusive rocks. The holes drilled north of the discovery hit intersected both copper-gold breccia and Lower zone-style mineralization.

The best hits to the north came from holes 8 and 10. Hole 10 was drilled from a pad just 50 metres north of the discovery hole and returned three mineralized intervals: 99.4 metres grading 0.848 gram gold, 2.8 grams silver, and 0.2% copper followed by 38.9 metres of 0.28 gram gold, 0.9 gram silver, and 0.05% copper and then 69 metres of 0.676 gram gold, 0.5 gram silver, and 0.03% copper. The hits started just 8 metres below surface and ended at 380 metres depth.

Hole 8 stepped out 150 metres north of the discovery hole. It returned one long hit: 368.6 metres grading 0.291 gram gold, 0.5 gram silver, and 0.03% copper, starting 70 metres downhole and including 87.6 metres averaging 0.726 gram gold, 0.4 gram silver, and 0.02%.

To the south, hole 6 cut 112.9 metres grading 0.377 gram gold, 0.5 gram silver, and 0.03% copper from 198 metres depth.

Kiska has mapped intrusive and hydrothermal breccias on surface along more than 800 metres strike, as well as expansive areas of altered and mineralized diorite intrusive rocks.

Defining mineralization is great but deposits are worthless unless the metals can be recovered from the rock. As such Kiska has already had samples from the Island Mountain discovery hole put through initial metallurgical studies and the results are highly promising. Flotation of the mineralized rock followed by cyanide leaching of the tailings produced recoveries of 67% for copper and 82% for gold.

"This test work demonstrates that mineralization at Island Mountain is amenable to the same conventional metallurgical processing methods anticipated for gold and copper recovery at Whistler," said Weber. "As such, it becomes like that mineralized material from both the Island Mountain and Whistler deposits can be treated at a single, centrally located processing facility."

Weber continued to say the potential for a combined operation provides "strong justification for proceeding with an aggressive exploration effort at Island Mountains, in addition to the exploration program for the Whistler deposit."

And even Kiska has much to do at the large Whistler property it recently picked up another exploration project. The company completed three separate purchase agreements with Rio Tinto, **First Majestic Silver** (FR-T), and **Daylight Energy** (DAY-T) to acquire a 100% interest in the Kliyul porphyry copper-gold project in north-central British Columbia.

The 43-sq. km property sits 60 km southeast of **Northgate Minerals'** (NGX-T) Kemess South mine. A small drill program in 2006 returned two interesting intercepts, including 0.23% copper and 0.52 gram gold over 218 metres. Kiska also likes the project because it is 5 km from the road and power line leading to Kemess South.

Since the beginning of September, when Rio Tinto backed out of Whistler leaving Kiska with full ownership, Kiska's share price has climbed from the 90¢ range to above \$1.30, closing recently at a new 52-week high of \$1.55. The company has 74 million shares outstanding.