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ARIZONA

Exploration Drilling At The Copperstone Project

RENO, NV - American Bonanza Gold Mining Corp. reported drilling progress at the 100% owned Copperstone Gold Project in Arizona. Bonanza will drill an estimated total of 120,000 feet in over 200 drill holes this year, with the objective of estimating measured and indicated resources in the C and D zones, and exploring to discover additional high grade deposits at Copperstone. During the initial phases of the current drill programs, a total of 59 drill holes have been completed in the three areas described below, with a combined length of 29,328 feet.

A former open-pit mine, Copperstone produced about 500,000 ounces between 1987 and 1992. Bonanza's current work program is focused on proving up sufficient measured and indicated resources to justify an underground, high-grade gold mine.

The high grade D zone is currently being drilled from underground drill bay number one. The D zone drilling will allow estimation of measured and indicated resources. A total of 33 core drill holes have been completed, with a total length of 9,234 feet. Approximately 10,000 feet in about 40 planned drill holes remains to be drilled in the program. Total estimated cost of this drilling program is US\$1 million.

The drilling to date has focused on the northern half of the known D zone and is nearly half complete, with the focus shifting to the southern half of the D zone soon. Exciting intercepts to date include hole number 3 which contains 40 feet grading 41 grams per tonne gold and hole number 12 which contains 45 feet grading 25 grams per tonne gold. True thickness for these intercepts is estimated at between 20 and 25 feet.

The Footwall target is an exploration target located about 400 feet below the



main Copperstone Fault in the central part of the open-pit. The fault hosting the Footwall mineralization appears roughly parallel to the Copperstone Fault. A total of 13 drill holes have been completed with a combined length of 7,765 feet. Follow-up drilling, consisting of 10 drill holes with a combined length of about 6,000 feet, commenced in May, at a total cost of about US \$300,000.

A visibly altered fault was encountered by most of the drill holes, and most of the drill holes contained low to high grade gold mineralization. The best intercept from this drilling was encountered in the western most, up-dip, drill hole.

Drill hole number 10 in the program contains a 5 foot or 1.5 metre (true thickness) intercept grading 47.3 grams per tonne gold, indicating the possible discovery of a new high grade zone at Copperstone.

The High Wall drilling program is focused on the area immediately north of

the open-pit, to the southeast of the D zone and the C zone. The target of this drilling is high grade gold mineralization known to exist in the base of the high wall of the open-pit and extending to the north along strike of the Copperstone Fault. A total of 13 drill holes have been completed, with a combined length of 12,329 feet.

A visibly altered fault has been encountered along the projection of the Copperstone Fault along strike from its known location at the north end of the open-pit. The first two drill holes contain the following gold intercepts: 17.5 feet (15 feet true thickness) grading 48.7 grams per tonne gold, and 13 feet (true thickness) grading 26.5 grams per tonne gold.

This drilling will continue throughout the summer and will move toward the B zone, the C zone and D zone as drilling progresses, and will approach 100,000 feet in about 100 drill holes at a total cost of US\$4.5 million by completion of the program.