

Cypress Steps-Up Work on Extensive Zinc Strike

Cyprus Resources of Vancouver has decided to direct the company's full resources at the 104 claims the company recently staked in the Bonnet Plume river area 110 miles northeast of Mayo.

Zinc occurrences were first discovered on the 104 claim block area late in July of this year while Mr. E. Mueller, President of Cypress was prospecting out of the Cypress camp located on the LAD Group of ten claims 35 miles to the north west on the Bonnet Plume River.

At the company's annual meeting held on Sept. 28, authorization was received from the shareholders to use funds generated from a recent successful agency offering of 150,000 shares on the now more promising new discovery area instead of on the LAD group.

A \$135,000 geological mapping, trenching and drill program has been recommended by Mr. Gordon C. Gutrath B.Sc., P.Eng. of Atled Exploration Management Ltd. details of which are outlined below. Mr. Gutrath personally examined the property on September 13 with Mr. Mueller.

Interest in the area was sparked by exploration work carried out by Barrier Reef Resources Ltd. also of Vancouver. Their work resulted in the discovery of a significant zone of zinc mineralization near the confluence of the Goz and Duo

Creeks. This news precipitated a staking rush that resulted in the location of over 1800 contiguous claims in a belt 35 miles long and up to 5 miles wide.

The Barrier Reef discovery is located 10 miles to the east of the Cypress claim block.

The Cypress claim block is located on the north side of the Bonnet Plume Valley 4 miles to the west of the confluence of Goz Creek and the Bonnet Plume River in the northeastern Yukon Territory. Mayo is 110 miles to the southwest.

Access is by helicopter from Mayo and the nearest all weather road reaches from Mayo to Keno City, 80 miles south west of the Bonnet Plume property.

Barrier Reef is planning to construct a 5,000 foot airstrip in the Goz Creek Valley. The strip would be suitable for DC-3 type aircraft and it will greatly improve access as well as reduce the cost of operating in the area.

Except for breaks covered by overburden, the exposed zone of zinc mineralization has been traced for 14,000 along a northwesterly (N65 degrees W) strike length. It is a stratiform mineral occurrence and the dolomite unit containing the showings dips on the average 55 degrees to the northeast into the hillside. At the eastern portion of the

claim block, the mineralization is exposed on the north eastern face of the mountain ridge shown in Fig. 1. Over the remaining segments of the strike length the exposures lie on the south west face of the ridge. The zone in this area ranges from 200 to 400 feet thick.

The zinc mineralized zone is remarkably continuous although the zinc content may vary considerably. Zinc mineralization consisting of sphalerite and other secondary zinc minerals has been found in the upper 400 feet of a dolomite unit.

Galena and from 2% to 5% pyrite is also associated with the zinc mineralization. The galena, compared with the sphalerite is a relatively minor constituent although it does increase noticeably in the eastern portion of the zone.

The zinc mineralization is primarily a very light brown coloured sphalerite, an important zinc ore. It occurs as massive crystalline lenses or as discrete fine to medium grained crystals in the dolomite mass. The mineralization also occurs with quartz filling fractures and cavities.

Galena mineralization is associated with the zinc but it is a minor constituent in the majority of the zone. It is found in the 'knob zone' or western portion of the strike and commonly occurs as widely spaced blebs and lenses at the eastern



Fig. 1. Looking northeast across the Bonnet Plume Rivers at the Cypress Claim group. The dark shaded area indicates the 14,000 ft. zinc mineralized strike zone.

end of the property. It forms massive very coarse, or very fine grained crystalline masses and is seldom found disseminated in the dolomite ground mass.

Table I is a number of character samples taken by Cypress prospectors on the 104 claim group. Although not an accurate test of the overall grade of the zone due to the intense surface leaching, the samples do help in determining the zinc content of the various mineralized zones.

Cypress Resources has moved their own AQ wireline drill from the LAD claim group onto the 104 claim block area and drilling is in progress. All work is being directly supervised by Mr. A. Floyd of Cypress under whose direction the prospecting and geological mapping program was completed in August of this year.

The first phase of the program outlined by Mr. Gutrath was estimated by him to cost \$135,000.00. The program will include geological mapping of the dolomite unit along its entire strike length of 14,000 feet. Trenching of a number of mineralized areas using a "blow" type drill and explosives would be supplemented by a minimum of 3,000 feet of diamond drilling. The initial program has already established a number of good drill targets. A second phase, contingent upon Phase I results

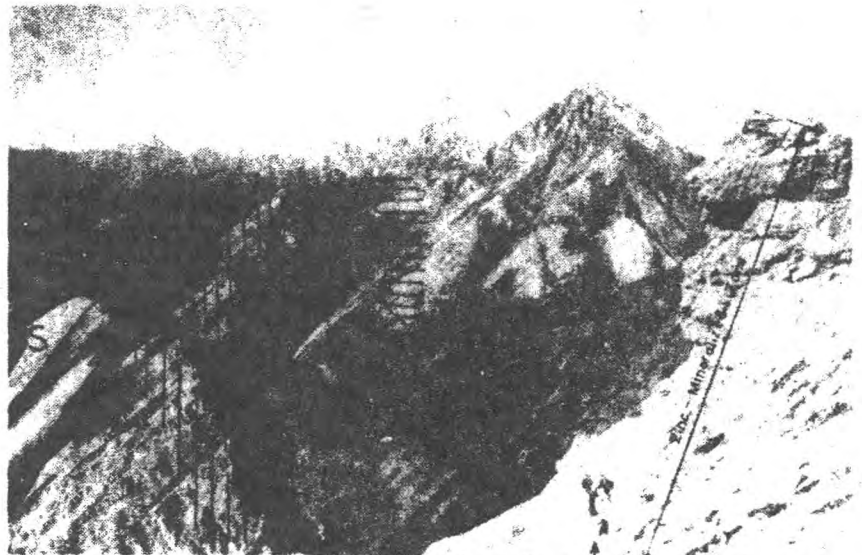


Fig. 2. Looking west from the eastern end of the strike zone. Mr. E. Mueller is shown inspecting high grade samples on the property.

would include additional diamond drilling of at least 5,000 feet.

No additional work had been done in the area until now.

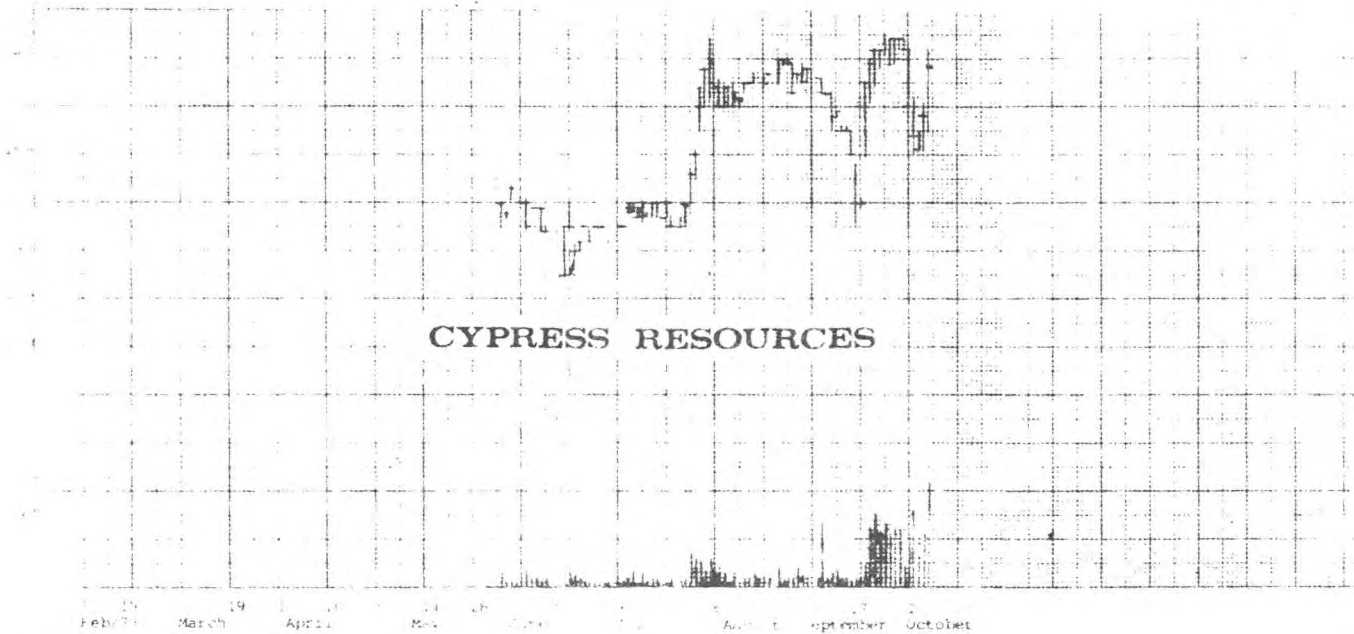
Of particular interest to Cypress are the recent increases in zinc prices in Canada and the U.S. On September 25 Cominco raised the price of domestic zinc \$0.03 per pound to \$.28 for Prime Western and \$.285 for Special High Grade.

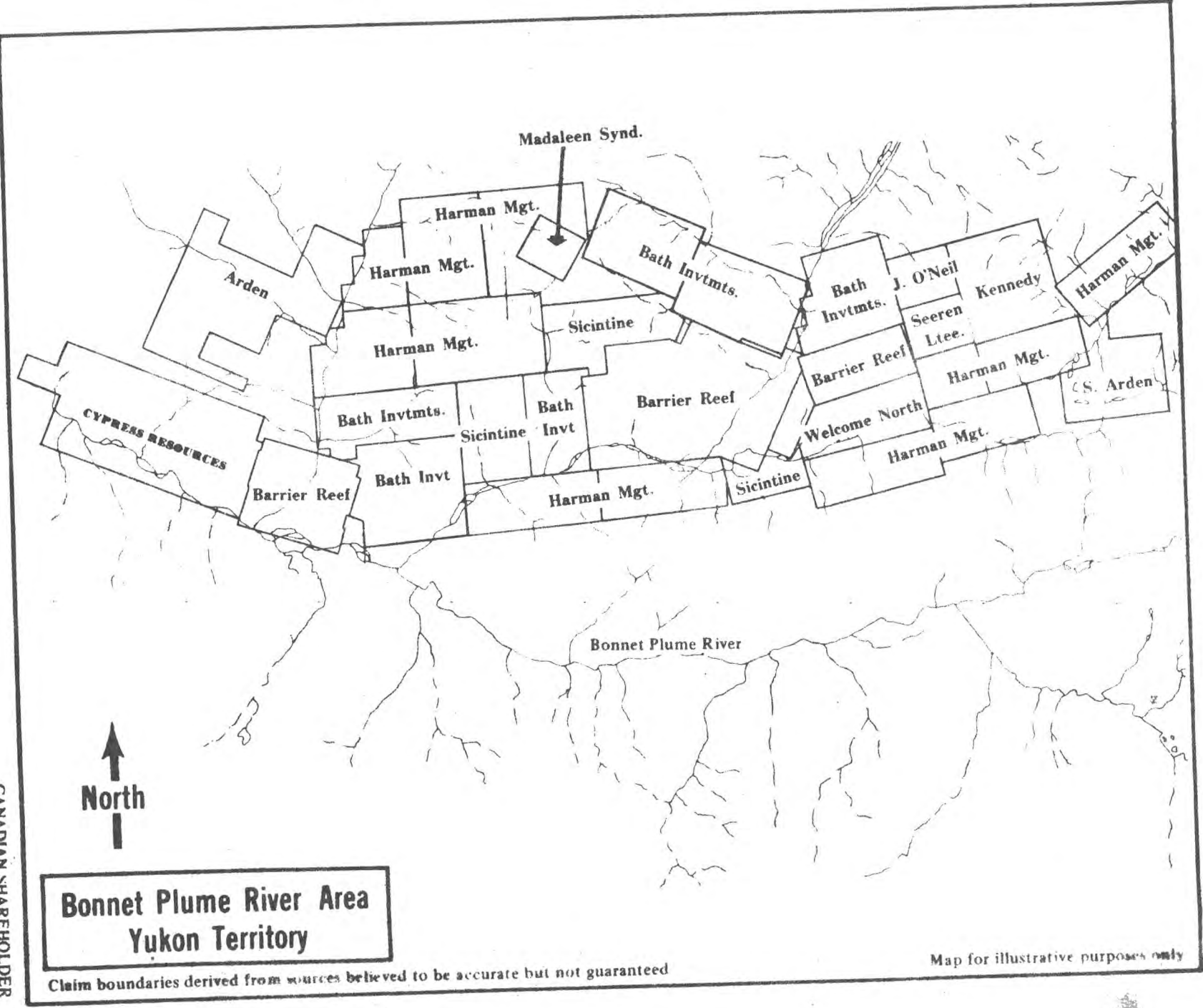
This action followed an increase on Sept. 24 of the base metal for zinc sold in the world markets other than Canada

and the United States by 1.20 to 1.250 a metric ton (\$.276 per pound).

#	Zn%	Pb%	Ag oz
963	9.50		
964	1.50		
965	0.78	76.8	0.15
966	59.3	0.37	0.39
967	1.22		
968	54.5	0.45	0.52
969	10.25		

CYPRESS RESOURCES



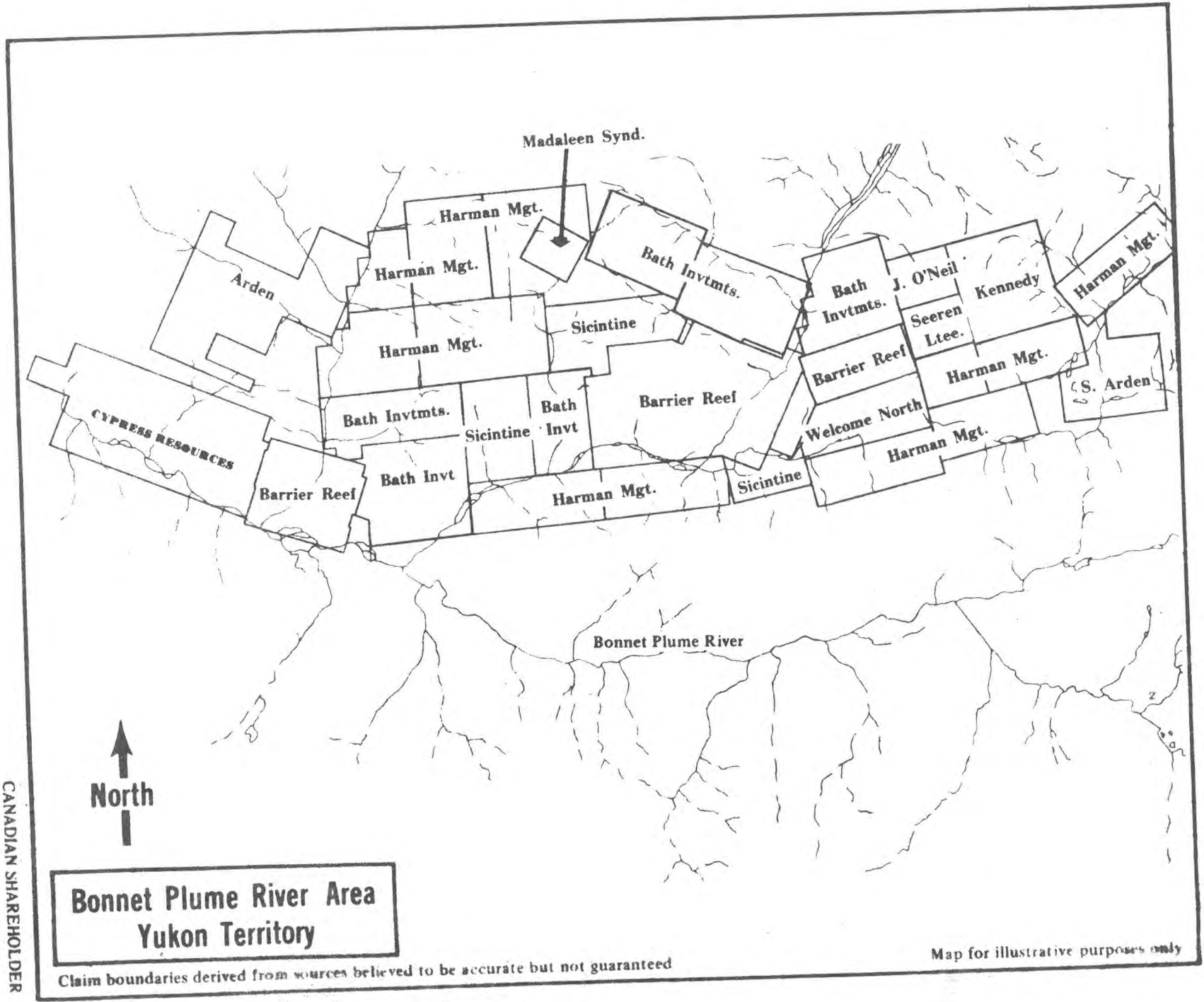


CANADIAN SHAREHOLDER

**Bonnet Plume River Area
Yukon Territory**

Claim boundaries derived from sources believed to be accurate but not guaranteed

Map for illustrative purposes only



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