

MININGINSIGHTS

by James S. (Jim) Steel, B.Sc.(Geol) MBA P.Geo.



Honest, Ethical Global Mining Industry Research - <http://www.MiningInsights.com>

Your Guide to Global Mining Stock Knowledge and Profits!

Please note that the principal of Mining Insights Inc. is a professional geologist and NOT a registered investment advisor. The information in this report is the researched opinion of the author and may differ substantially from other commentators.

Information used to generate insights in this report was obtained from sources deemed reliable, but their accuracy cannot be guaranteed. Investors are encouraged to do their own due diligence prior to investing in stocks mentioned in this report and to consult their financial advisor regarding any investment decision. Nothing in this report may be construed as an offer to sell or as an offer to buy, any securities.

Some of the companies profiled in this report may have paid a fee to Mining Insights Inc. for research coverage. The author may be a shareholder. If so in either case, full disclosure of revenues received and share positions held is available to Subscribers at <http://www.mininginsights.com>.

Mining Insights Inc. covers exploration and production companies with long term value and to which transparency and cultural knowledge are corner stones of their businesses. Mining Insights Inc. is also dedicated to complete transparency and offers a comprehensive equity evaluation service to global investors of like mind.

As a mining stock investor, our primary goal is to serve you faithfully and objectively with detailed value-based research. Welcome!

© 1999-2004 Mining Insights Inc.

MINING INSIGHTS AUGUST 2004 – METRIC/IMPERIAL

Special Acrex Ventures Excerpt from MI August 2004

Click the company name to jump to corporate reviews:

[Frontier Pacific](#) **World's Best Value Gold Producer & Why Sell Eldorado?**

Acquisition of Newmont's Ovacik mine puts production earnings on balance sheet; diversify the risk of an Eldorado Gold holding with Frontier; the new MI "Turkish Equally Weighted Subportfolio": check the company on the [MI Global Gold Comparative Value Table](#).

[Acrex Ventures](#) **Michaud Drilling Update & Visualization**

Earn-in to 50% is complete. New drilling puts more gold into a definable trend, and one that looks like Holt-McDermott mine structure and alteration. See visually where the exploration focus lies in anticipation of more of the same...

[Boulder Mining](#) **Addendum to MIR July 2004**

The MI Indian River Riffle \$ puts a value to the MI Indian River Riffle Unit based on the VALUE of a gold grain, rather than the exchange-required assay weight. A level plan of the downstream bench shows how much mineralization potential is left to future exploration.

[Jaguar Nickel](#) **At today's 27-month nickel seller price, Sechol is a go!**

An ultra conservative valuation model shows financial breakeven at today's 27 month nickel price and resource of 193MM lbs nickel. With 116 holes left to report in El Inicio drilling, two additional grids in place on nearby targets, and impending process advancement, we shareholders are awaiting the takeover...whenever it may happen.

[MiningInsights™](#) **August 2004 Field Trip Research Introduction**



This mountain is full of silver; this café is a slice of silver mining history. Who has it (the mountain)? Klondike Gold has it, and most of the rest of the Sandon silver camp as well. Here are capsule introductions to upcoming research on [J-Pacific Gold Inc.](#), [Abacus Mining & Exploration Ltd.](#); and [Klondike Gold Corporation](#). – great companies each facing a great discovery future!

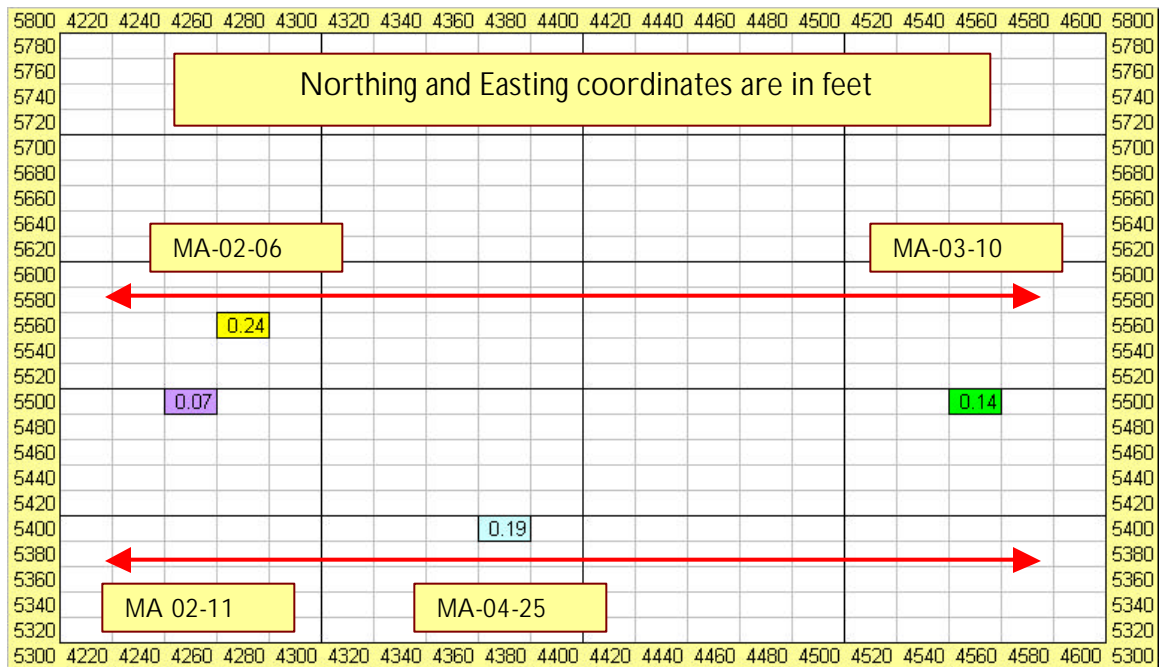
> **ACREX VENTURES LTD (AKV-V C\$0.26)**

New Michaud Drilling and Block Model Update

Acrex Ventures is drilling the Moneta option again, except this time it is no longer an 'option'. With the exploration spend on this phase, the earn in is complete for 50% and just the paperwork signoff is left to go. So, this research piece is designed to take what is known and extrapolate to what will be found.

HOW TO READ THE FOLLOWING CHART

The MiningInsights™ model used here shows the mineralized blocks defined by project drilling. Each block contains a grade in ounces gold per ton of what can be reasonably expected in a production scenario for each block. Each block is 20 ft / 6.6 m on a side. Different colours mean different levels – blue, green, yellow, purple indicate shallow to deep. The red lines show you where you can drill to hit more mineralization in this area. For further analytical insights and a great Acrex archive of research, login to the Members Area of <http://www.mininginsights.com>.



Hole MA-02-06 was the program barnburner with (MI calculated from original logs) 8.2 g/t over 6.5m starting downhole at 211m. It defines a block vertically 175m/ 574 feet down and with intersection references used to plot distances to adjoining holes. On the chart above, the average grade for the mineralized block defined by the intersection is 0.24 oz/T.

On this chart, the 0.19 oz/T intersection in MA-04-25 is the shallowest drilled to date, at 50m/160 feet below surface. Next, the 0.24 oz/T grade of the MA-02-06 block occurs at 173m/ 567 feet down. The other two intersections are deeper yet and what this suggests is that the mineralization occurs within a narrow band, the host structure/alteration zone of which is easily traceable (and likely more easily mineable) over a discrete continuous zone.

<<< MI 'MICHAUD GOLD' – ACREX VENTURES LIMITED

Hole MA-03-11 was spotted 60m west of hole 6 and hit two smaller intersections of 1.6 g/t / 0.051 oz/T and 1.22 g/t / 0.039 oz/T over stringer widths (less than one drill-metre) but at the same stratigraphic position of the previous hole. Intersection to intersection distance was 104 ft/31m, and it is this gap that hole MA-04-25 is designed to check. The logs note a foliation texture of 35 degrees (Acrox, 2002), approximately that of the intersection to intersection orientation. If the veins are conformable to the foliation, the geos in us breathe a sigh of relief at this correlative characteristic with Barrick's Holt-McDermott mine further east.

Hole MA-03-10 hit five small intervals of stringer mineralization (assays from 1.64 g/t / 0.052 oz/T to 8.19 g/t / 0.263 oz/Tgold) but within a package stratigraphically lower than the zone in the two holes above. Hole 10 is being extended in this program to ensure adequate coverage on either side of any gold-bearing intersection.

Hole MA-04-26 was drilled between MN97-195 and MA-02-07. The three holes will equally define a vertical continuity and horizontal continuity. Small stringers of mineralization are seen in both existing holes but can't be correlated with the structure above.

Likewise with hole MA-04-24, which will bring the drill density down to 100 ft in the eastern part of the grid. This hole intersected seven mineralized intervals, which will require a 're-jigging' of the MI block model. Of particular note was the 2m/5 foot intersection of 2.39 g/t (0.079 oz/T. at 40m/131 feet down. Once results are in, the level plan will show the distribution and how the mining scenario is coming along.

An intriguing feature of the 55 zone mineralization is the scattered depths at which the gold is found – the shallow intervals in holes 24 and 25 bring surface relevance to deeper mineralized intervals found in holes 10 and 11 among others. Meixner P.Eng. (2004 p33) notes mineralization in different alteration zones which suggests multiple pulses of gold emplacement within the structural regime controlling mineralization. Such alteration is key in the determination of gold bearing zones at the nearby Holt-McDermott gold mine, where the primary exploration direction is down-dip. (Todd, C. in Werniuk, J. 2001).

And, as the new results show, 'up-dip' is pretty important as well!

Cited References

Acrox Ventures Ltd. 2002. Insights from drill logs from Michaud drilling. Unpublished data.

Meixner, H., P.Eng. 2004. 2003-2004 Drilling Report on the Michaud Gold Property, Michaud Township, Ontario. p33.

Todd, C. in Werniuk, J. 2001. Holt McDermott and Bousquet – Abitibi's Gold Mines. Canadian Mining Journal, June 2001.

> ABOUT MINING INSIGHTS INC.

Mining Insights Inc. provides unbiased objective analytical insights on global mining value investment and selected exploratio and production companies. Emphasis is placed on objectifying the data in a global value context within a portfolio risk mitigation methodology.

Contact us at <http://www.mininginsights.com> or call the author, Mining Insights Inc. Managing Director James S. Steel MBA P.Geo. at 1 416 236 9297 from 9-5 EST (GMT-5) Mon-Fri.
