

## Phoenix Matachewan finds 23.5% Zn at Steel River

2005-09-19 10:52 ET - News Release

Mr. Robin Dow reports

### STEEL RIVER SAMPLING RESULTS: UP TO 23.5% ZINC, 3.1% COPPER

Phoenix Matachewan Mines Inc. has provided preliminary surface geochemical sampling results from its 155-square-kilometre Steel River base metal project, Northwestern Ontario.

To date eight exploration grids, each at least one kilometre long and 500 metres wide, have been established on the combined geophysical/geochemical targets. Surface geophysics and diamond drilling are under way, with results for both pending. The compiled work has identified a folded, 34-kilometre-long cherty exhalite horizon that has zones of zinc, copper and gold enrichment at regular intervals along it. Each of these corresponds to an airborne conductive zone.

Data from the surface sampling are summarized in the table below. Taken for lithochemical as well as prospecting purposes, these samples provide a general overview of the metal contents of the rocks in each grid. Note that peak metal contents (up to 23.5 per cent zinc and 3.1 per cent copper) have been located in outcrops (grids 2, 3 and 10).

GRID	1	2	3	6
Sample No.	86	50	68	12
Zn av. ppm	133	6,830	5,467	175
Zn range ppm	1- 619	32- 92,838	5- 234,940	2- 673
		(9.3%)	(23.5%)	
Cu av. ppm	34	57	500	1100
Cu range ppm	1- 290	4- 638	1- 29,019	13- 361
		2.9%		
Au av. ppb	15	13	12	14
Au range ppb	5- 291	5- 147	5- 157	5- 157

GRID	7	8	10	11
Sample No.	16	54	15	7
Zn av. ppm	168	185	214	64
Zn range ppm	27- 730	7- 927	15- 713	17- 132
Cu av. ppm	109	215	3,866	16
Cu range ppm	1- 237	Jan- 15 31,537 (3.1%)	62- 29	3-
Au av. ppb	28	7	43	15
Au range ppb	5- 203	May- 19	5- 185	9- 22

New and historic base metal showings demonstrate widespread high potential for the discovery of economic-grade zones of zinc and copper mineralization. Both massive and stringer sulphides have been uncovered. The exceptional ruggedness of the area prevents access for stripping, and requires, at least in part, helicopter-supported drilling.

Steel River property, midway between Marathon and Terrace Bay in Northwestern Ontario, has seen little historic mineral exploration despite being situated just five kilometres north of the Trans-Canada Highway. It is located between past-producing volcanogenic massive sulphide (VMS) districts at Manitouwadge (65 million tonnes; average 1.2 per cent Cu, 0.12 per cent Pb, 3.7 per cent Zn, 40 g/t Ag), 75 kilometres east-northeast and Winston Lake (seven million tonnes; average 1 per cent Cu, 16.8 per cent Zn, 33 g/t Ag), 45 kilometres west. Historic intersections peaking at 16.5 per cent Zn over five metres at shallow depths have been obtained near Bozena Lake (grid 3). The Bozena Lake area is the site of the first drill holes in the current program.

Drill results are delayed due to the move of the Accurassay Inc. laboratory, in Thunder Bay, which has also processed these samples.

Chris Wagg, BSc, PGeo, vice-president, exploration, is the qualified person for this work.