

Mindoro completes Lobo IP, magnetic geophysical surveys

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Ms. Penny Gould reports

PROMISING PORPHYRY COPPER-GOLD PROSPECT DEFINED AT LOBO PROJECT.

Mindoro Resources Ltd. has released preliminary results from continuing induced polarization and magnetic geophysical surveys over the Lobo project in the Philippines.

"The kinds of anomalies we are identifying indicate that there is very likely a porphyry copper-gold system, and possibly several systems, on the Lobo project," said Tony Climie, president of Mindoro. "In this latest survey, the intense alteration and stacking of geophysical anomalies suggests a porphyry copper-gold system is centred under the Pica prospect and we are most enthusiastic about drilling this target early in 2005."

The survey results announced today define a large, strong induced polarization chargeability anomaly, of from three to seven times background, and over an area of 700 metres by 500 metres, within a broader anomalous halo of one kilometre by one kilometre. A ground magnetic high anomaly is associated with the core of the chargeability anomaly. The chargeability forms a large bell-shaped anomaly flanked above by a high-resistivity anomaly. These overlapping geophysical anomalies occur over a prominent hill referred to as the Pica prospect and are consistent with the existence of a porphyry copper-gold system below.

Geological mapping indicates the resistivity anomaly is due to an extensive area of silica cap (see map on Batangas section of the company's website). At lower elevations, pervasive and intense quartz-clay-pyrite alteration has been mapped, with rare disseminated chalcopyrite (a copper sulphide mineral), appearing to increase with depth. The sulphides are the likely cause of the high-chargeability anomaly. A six-metre- to 10-metre-wide quartz-barite-(pyrite) epithermal stockwork has been mapped over approximately 800 metres. This is similar to gold, silver and copper-mineralized vein breccias currently being drilled by Mindoro elsewhere at Lobo.

There are numerous excellent examples of Philippine porphyry copper-gold deposits, including the RTZ/Lepanto Far Southeast deposit and the recent Anglo/Philex Boyongan and Bayugo discoveries; the Taysan deposit of Phelps Dodge is located only nine kilometres from Lobo.

Mindoro currently has two-man portable drill rigs testing epithermal gold targets at Lobo, and will be mobilizing a large capacity drill rig to test the Pica prospect, as well as recently discovered high-grade epithermal gold mineralization at West drift (see news in Stockwatch dated Nov. 8, 2004). Other magnetic high anomalies have been defined at Lobo (see map on Batangas section of the website) and Mindoro plans to investigate

these by induced polarization surveying to locate other potential porphyry copper-gold targets.

The geophysical survey is being carried out by McPhar Geoservices (Philippines) Inc. of Manila, an ISO 9001:2000 company headed by Canadian geophysicist, Peter Smith. Work is carried out under the supervision Tony Climie PGeo, a qualified person as defined by National Instrument 43-101.

WARNING: The company relies upon litigation protection for "forward-looking" statements.