

Denali Block Minerals Exploration Update

May 2008

This newsletter is to provide information about minerals exploration activities in the Denali Block region of Alaska anticipated during 2008.

On the corporate side there has been a merger of Nevada Star Resource Corporation and Pure Nickel Inc. Pure Nickel Inc. is now the owner/operator of the MAN Project. Pure Nickel reports on the exploration activities and results through their website at www.purenickel.com.

Activities involve non-surface disturbance work such as geochemical and lithochemical sampling, geologic mapping, airborne geophysics, as well as exploration drilling. These activities are part of multi-year programs aimed at defining the most prospective ground in the district. The exploration efforts are not highly focused but instead are looking at a number of disparate targets in mafic and ultramafic rocks of Triassic and Jurassic age. Pure Nickel holds approximately 209,400 acres of State and Federal mining claims in the area.

In 2007 approximately 2,070 line-miles of airborne geophysical surveys and thirteen drill holes totaling 13,000 feet were completed in the "Alpha Intrusive Complex" (see map). Drilling tested geophysical anomalies and the down dip extent of disseminated sulfides encountered in previous drilling. Total expenditures were on the order of \$4.0 million.

In 2008 Pure Nickel intends to conduct approximately 10,000 feet of core drilling divided between the Alpha Complex and the Beta Complex. The goal is to complete ten drill holes with maximum depths of one thousand feet. Drilling will occur primarily east-northeast of Fish Lake and in the

Amphitheater Mountains. Activities are not expected to start in mid to late June. Pure Nickel has reaffirmed its commitment to alter its flight paths and otherwise conduct its operations so as to not interfere with commercial guides operating in the area and to refrain from disturbances to heavily used recreational sites.

Glacier Six Enterprises, leased claims from Nevada Star in 2006. Glacier Six's five year exploration permit allows continued small-scale placer gold mining and evaluations in Broxson Gulch. The area is well known for accumulations of placer gold and has potential for platinum group metals as well.

The US Geological Survey has completed collection of some environmental baseline work in the area that will be published this year as an open file report. The impetus for this work was the need, expressed by the Alaska DNR, for geochemical and hydrogeochemical baseline information that is needed due to the upturn in exploration in the area over the last ten years. The report is entitled "Regional Geochemical Results from the Analyses of Water, Stream Sediment, Rock, and Vegetation Samples – Tangle Lakes District, Alaska.

Most of the mineral exploration activities involve little surface disturbance, other than the work involved in preparing the drill sites. Standard operating practice is to plug drill holes upon completion and reclaim the sites. The Mining Section of DNR's Division of Mining, Land and Water is responsible for issuing the necessary permits, conducting site inspections, and making sure that reclamation has been completed to State specifications.

If you have comments or questions please contact: Rick Fredericksen, ADNR Acting Mining Section Chief, 550 W. 7th Ave., Suite 900B, Anchorage, AK 99501.
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