

Sheltered Oak reports Kerrs Gold Project resources

J.J. Elkin, President/CEO, reports **Sheltered Oak Resources Corp.** [OAK-TSXV] has completed a NI 43-101 resource estimate for its Kerrs gold deposit located on the company's Kerrs property east of Matheson, Kerrs Township, northern Ontario. Inferred resources stand at 7,041,460 tonnes averaging 1.71 grams gold/tonne, representing 386,467 ounces of gold, at a cut-off grade of 0.5 g/t.

This first time resource estimate, defining the deposit, is the culmination of numerous exploration ventures beginning in the early 1960s with the prospecting discovery of high-grade glacial float boulders near East Ford Lake. Dome Mines and Noranda carried out major exploration programs from 1980 to 1989. Follow-up

work by Sage Gold 2004-2007 and continued by Sheltered Oak 2008-2010 focused on the initial discovery holes near Bell Lake. The five successive drilling campaigns have delineated the Kerrs gold deposit which is postulated to be the "up-ice glacial source" for the East Ford Lake gold-bearing boulders.

Phase V drilling confirmed gold enrichment occurs in sheeted, pyritic quartz vein breccia zones conforming to a trough structure developed along the fold axis over an 800-metre strike length and has lateral down-dip extensions up to 350 m. Also, step-out drilling confirms that the Kerrs gold deposit trend extends 400 m to the southwest. Airborne geophysics indicates an extension of 400 m along the trough structure toward the adjacent property (on which the company has an option to earn a 60% interest from **Goldcorp Inc.** [G-TSX; GG-NYSE]). As well, there is a strike length of 1,500 m of favourable volcanic stratigraphy indicated by historic drilling on the adjacent property.

An 11,500-metre exploration drilling

program has been proposed for the Kerrs property, including the adjacent property, for this summer, using funds from a recent financing. The drill program would have three objectives:

- 8,300 m of infill and extensional drilling on the Kerrs gold deposit
- 1,200 m of reconnaissance drilling on parallel structure supported by mobile metal ion (MMI) geochemical anomalies
- 2,000 m of extensional drilling on the Kerrs gold deposit trend projected on to the adjacent property.

"Geophysical and previous drilling results suggest the deposit may extend a further 800 m toward the adjacent property," said Elkin. "The proposed work program for 2011 will further delineate the Kerrs property potential, including the adjacent property. Our exploration target is the area along a major volcanic structural trend in excess of a two-kilometre strike length straddling both properties. The 2011 summer drill program is designed to increase the tonnage and grade in order to advance and improve the economic viability of our discovery." ■