



Avino drills new zones at old Mexican mine

VANCOUVER — Avino was once described as a “mountain of silver” by the Spaniards who mined it for a few hundred years starting in the 1500s. Now held by **Avino Silver & Gold Mines** (ASM-V, ASGMF-O), the company is finding there is still silver in the hills, and it’s accompanied by gold, copper, lead, and zinc.

Diamond drilling in the San Gonzalo zone on the property, 2 km northeast of the company’s past-producing Avino open-pit mine, is intersecting narrow, high-grade, polymetallic veins. Hole 14, near the southern end of the zone, hit 1 metre of 3,623 grams silver per tonne, 2.93% lead, and 4.83% zinc.

Holes 9 and 10 were collared at the midpoint of the 800-metre strike length. Hole 9 returned 3.2 metres grading 0.88 gram gold, 144 grams silver, 2.27% lead, and 0.65% zinc, while hole 10 intersected 3.75 metres of 2.74 grams gold and 452 grams silver.

Hole 15, near the northern end of the zone, cut a 40-cm section of 0.74 gram gold, greater than 200 grams silver, 0.27% lead, and 0.3% zinc in what Avino geologists believe is a narrowed section of the main San Gonzalo oreshoot.

The Avino project sits in Durango state, Mexico’s leading gold-producing region and also a significant district for silver.

Avino plans to continue drilling the San Gonzalo vein system in order to establish an indicated resource for the zone, which was explored for the first time in 2006. Grades at San Gonzalo are generally higher than those in the Avino vein, which was the focus of most of the historic mining.

The company operated a mine and 1,000-tonne-per-day mill at the Avino site for 27 years, but was forced to close in 2001 because of depressed silver prices and the closure of a key smelter. In mid-2006, with metal prices back up, it set out

to revive the old site. It is currently exploring the surrounding areas and drilling at depth below the old open pit to expand resources, refurbishing and upgrading the mine and mill for reopening, and investigating the resource potential in the large tailings pile.

Since then, Avino has drilled roughly 3,350 metres on targets identified in 1993 by Luismin, now a subsidiary of **Goldcorp** (G-T, GG-N), as well as through an 80-km line deep penetrating induced-polarization survey conducted in 2006.

Last summer, a drill program confirmed that the three principle vein systems — San Luis, El Trompo, and Chirumbo — continue downdip below the existing mine workings. The company also produced a resource estimate for the tailings pile at Avino, which holds 2 million tonnes grading 95.5 grams silver and 0.53 gram gold.

Note From The Company:

Avino would like to add a few amendments to the above article. The company does not consider the Avino mine an “old site.” The mine was only temporarily closed for five years until further work on the property was considered economically viable. The targets Avino has drilled on the property were actually identified over the course of many years by the company and summarized by Jean Paultler, rather than by Luismin. The description of a “narrow” width does not apply to the diamond drill work in the San Gonzalo zone. The 1 metre intersect described in the article is actually a part of a 5.4 metre intersection of 1.52g/t gold and 774 g/t silver. At this width, Avino can utilize rubber tired drill combos and scooptrams rather than the more traditional rail track system employed for narrow vein systems. With the former methods, Avino can extract much larger quantities of ore at a time. The state of Sonora is actually Mexico’s leading gold producer with Durango coming in at a close second. While Sonora is home to Mexico’s largest gold producer, the country’s richest gold mine, La Cienega, operates in Durango.