



Transcript of update interview with Mr. Jason S. Weber



President and CEO of Kiska Metals Corp.



TSX Venture Exchange: KSK

January 9, 2013

**Mr. Jason S. Weber - President and CEO of Kiska Metals Corp.** Jason joined Rimfire Minerals Corporation in December of 1999 as Manager, Corporate Communications, a position he held until 2007 when he was named President and CEO of Rimfire Minerals Corporation (Now Kiska Metals). His career was launched as a Project Geologist with Equity Engineering Ltd., working in Western Canada, Labrador and Central America. Active in promoting the exploration industry, Jason is past Chair of Mineral Exploration Roundup, one of the world's largest annual exploration conferences. Jason graduated from the University of British Columbia with a B.Sc. in Geological Sciences.

**Smallcaps.us: Welcome to all our listeners and thanks for tuning into another Smallcaps.us interview. We're pleased to have Mr. Jason Weber, the President and CEO of Kiska Metals Corporation, with us today. We featured the Company, for the first time about a year ago, so we're thrilled to have the chance to catch up with its progress. Kiska is listed on the TSX Venture Exchange under ticker symbol KSK. Jason thanks so much for joining us.**

**Jason Weber:** Oh, thank you very much. It's a pleasure to be with you.

**Later during the interview we'll discuss several of your other properties, but first let's focus on your most advanced one, the 100% owned Whistler project in Alaska. Can you briefly refresh our memory about this project?**

Yeah, absolutely. Whistler is a pore-free gold, copper project that Kiska has in Alaska. The project is about 160 kilometers to the northwest of Anchorage, and Anchorage being a large centre in Alaska with a very large international cargo airport. So, it's quite near some good infrastructure.

Whistler is the flagship project for the Company. Kiska was formed back in 2009 through the merger of Rimfire Minerals, which is the Company I was previously CEO of, and a Company called Geoinformatics Exploration. And Geoinformatics owned the Whistler project. And so, the whole sort of impetuous for the merger was to move the Whistler project forward.

It's a very large project. It's over 500 square kilometers. It's anchored by the Whistler

deposit, which is over 3 million ounces of gold in the indicated and inferred categories. And if you take the copper and the silver as well on a gold equivalent basis, it's in excess of 5 million ounces gold equivalent.

There are many, many targets on the project, some we started to explore and others we haven't. There are two exciting areas outside of Whistler, one being Island Mountain, which is 22 kilometers to the south of the Whistler deposit, and then another area that we call Muddy Creek that's had less work done on it, but is a very intriguing prospect itself.

**That's good to know. What work has been conducted on the property since our initial interview?**

The bulk of the work that was done on the project this year was really focused on more engineering type work. That included rebuilding the geologic model that we used to explore the deposit itself. We looked at all the drilling that previous workers had done, as well as some of the limited amount of drilling we had done on the deposit. And we took that data and updated the old model that will be useful to explore the deposits further, but also that gets used in engineering studies down the road when you start looking at pit wall stabilities. So, it's a really an important study that had to be done and updated.

And then we looked at some of the environmental work that has to be done. We're starting to look at what we do for baseline studies that will be used in permitting down the road. And we also looked at locations for where we might, and this work is still under way, where we might put roads, power and where the plant and facilities would be on site.

Probably the most important thing we did though, is some initial metallurgy. We went back to the old drilling, picked samples that were very representative of the deposit and submitted those for metallurgical test work. This work's important because it really gives us an idea of what kind of processes we need to recover metal from the rock at Whistler. It tells how complex those processes are, and anything about the potential ores, are there elements for which we're going to be penalized, all that sort of thing.

And this is really important because it gives you an idea of what kind of plant facilities you're going to need on site, and of course that really ties into what the costs are going to be for building a project like this.

**You just mentioned the excellent results from metallurgy studies, which were announced late 2012. What can you tell us about those results?**

Essentially, what we did is we submitted two composite samples. We took a length of drill core and we grounded it up. So we created one composite sample that was representative of an area of the deposit and then we submitted that for testing.

We focused on lock-cycle flotation test. So, that's basically a simple flotation circuit that you would see very commonly in this type of mine scenario. And they treat the samples as if they were mine scenario. And then we get back numbers based on how much copper or concentrate it would have in it, and what percentage of the gold and copper we're recovering from the rock.

This is where our samples performed very well. We averaged 91.9 percent recovery for copper and 70.4 percent for gold. And this was using very, very standard flotation techniques. So very easy. Obviously, easy means less costly than having to add fancy cycles and new technologies.

And so, very, very important for us because our gold grades and copper grades are not

exceptionally high for this type of deposit. But because we're able to recover so much, it effectively brings up the grade of the deposit because we're recovering more of it.

**Impressive results. And as for the future, what would you say are Kiska's key objectives for Whistler in the next 6 months to a year?**

Well, I think, you know, one of the things we want to continue doing is looking at some of the infrastructure in Alaska. Alaska is a great place in that the state government in Alaska, is really focused on resource development. Oil and gas has been such a big part of the history of Alaska and its wealth and they understand that they have to reinvest in resource development to continue to prosper as they have.

So, one of the things they have is a program called Road to Resources where they'll aid in funding infrastructure to resource projects. So, we want to continue to investigate that. Any help we can get to make this project viable is obviously something that we should pursue.

But I think we also realize that the stage of the project is that there is a significant amount of advanced engineering work that would need to be done. So, I think one of the things that we will start to do is embark on the search for a partner to help us advance Whistler. It's such a large project. There are so many targets to be tested, that there is room for another Company to help move this project forward.

I often tell people that if this project were, say, in British Columbia, you might have three junior Companies moving it forward in each of the three areas, Whistler, Island Mountain, and Muddy Creek, that those might be the flagship projects individually for Companies. And we've got them all wrapped up into one big project. So, we feel that there is definitely some room to bring a partner in to help us move this project forward.

**Next to Whistler, Kiska owns many other properties. One of them is Thorn in British Columbia, on which Brixton Metals Corp.**

**can earn a 65 percent interest. Can you give us some more information about your deal with Brixton?**

Yeah, absolutely. And this is one of the advantages that really allows us to take Whistler and say, "Okay. We could bring a partner in here because we have so much more portfolio that can bring value." Especially, in these markets where financing is tough, having other people spend money on our projects to advance them is very much a benefit to us.

Brixton can earn a 65 percent interest in the project. They're about \$900,000 away from their first earn-in, which is for 51 percent. They would have to spend \$5 million to earn a 51 percent interest in the project. They've spent about \$4.1 million to date.

A good percentage of that funding has gone to testing the Oban Breccia Zone, which is high-grade silver, lead, zinc, gold, and copper zone. Results were announced in January of 2012 and garnered a lot of interest in the project from investors as well as some silver producers that are out there and are now following the project. Brixton spent 2012 following up on that work. Their last set of results that came out at the end of November of 2012, I believe, highlighted some very nice intersections of high-grade silver and lead-zinc mineralization. A great example of that is hole number 84, which had a 123-meter intersection that was averaging 190 grams per ton silver, 1.1 grams per ton gold, with 1.74 percent lead, and 3.25 percent zinc, some very nice intersections over a long width.

Brixton now is at the point where they're going to have to start building on the Oban Breccia Zone. We have an idea, from the drilling that they've done, that it's trending off to the south, and maybe south-southeast. And that will give Brixton a direction to go follow up on that in some of the work they do this year.

But similar to the Whistler project, Thorn has numerous other targets that have been tested by drilling. We've identified corridors of vein mineralization that has been drilled in years past that certainly have lots of room to expand.

And then there are targets that haven't been tested at all. So, there's a real potential at Thorn to find additional zones to the Oban that could be very, very significant.

Of course, with grades like what's been seen at the Oban, the advantage of high-grade mineralization like that, you can start to put ounces together very quickly. So that's going to be a real plus for the project. For example, the hole that was released early in 2012, which was one of the last holes drilled in the 2011 campaign by Brixton, returned 95 meters of 628 grams per ton silver with 1.71 grams per ton gold. So, that style of mineralization is really what they want to be following up at the Oban.

**And how about the other properties in Kiska's portfolio. Can you shed some light on the most interesting ones?**

Yeah, and I guess that's been one of the things that we did this year. We took some of the focus away from Whistler as we were looking at more engineering type of work.

So we took our geology staff and put them on to the other projects. And we have a few that are very interesting. One called Kliyul, which is in Northern British Columbia, not too far away from the Kemess Mine, which AuRico, which was previously Northgate Minerals, was mining.

This is a pore-free copper-gold target. Previous work done on this project consists of just some shallow drilling that had some interesting gold and copper numbers in it, but it wasn't until our predecessor Geoinformatics drilled some holes back in the late 2000s, just prior to our merger, that they drilled some deep holes, some of the deepest holes on the project, and had intersections that were very interesting. In excess of 200 meters that was running over a half gram gold and 0.2 percent copper. So, these are very interesting numbers.

The geophysics that we have to date on the property points us to where there may be more of this mineralization. Nobody really knew about these two holes. And it's kind of a long story, but there was an ownership issue that we've

since resolved, that kept Geoinformatics from doing more work on the property after they drilled these two fantastic drill holes. Well, we've cleaned that up now, which allows us to move forward on it.

**Can we expect similar deals, like the one with Brixton, for any of your other properties?**

Oh, absolutely. We were a Company that would come up with ideas, build projects, and we'd find partners to fund the exploration. So, we've got a long list of contacts and people that follow our projects. And we've been pretty active in having people look at these to see if they'd be willing to do a deal and fund exploration to move these projects on. The other aspect of that is we've got a tremendous amount of data from which we can generate new projects as well. So, we can continue to generate these new targets that we can then either advance ourselves or bring partners in to advance. So, from that perspective, we're in a very good position.

**That's very interesting. And what can you tell us about Kiska's financing strategy and its significant shareholders?**

Having this wealth of properties, I think we do have access to alternative methods of financing. A great example is last year we sold our 49 percent interest in the Tide Property in Northwest B.C for \$1.5 million. And I think there are other projects like Tide in our portfolio that we would be willing to divest our interest that would allow us to bring capital into the Company.

We currently have just under \$4 million in the treasury. So, if we could do a deal like that, I would look at that to bring money in. We also have a portfolio of shares in other Companies, dominantly partners of ours that prior to Kiska is worth almost \$750,000.

And then we have quite a large portfolio of royalties. And the royalty business is one that's been very interesting as of late. There's a lot of

interest from the royalty Companies in getting earlier stage royalties, which most of ours are. And we do have a couple that look like they could potentially be near paying, which obviously increases their value. So, that's the one thing we're doing right now, is just putting together a document that defines our royalty positions and gives us an idea how to value them so that we could potentially take that to the market to raise capital as well.

**And what would you say are the two or three most compelling reasons for a long term investor to consider Kiska today?**

Well, I think if you believe that metal prices are here to stay or getting higher, which I very, very firmly believe, I think you can look at Kiska and say that we have a suite of projects that have great leverage to those metal prices.

Whistler is a great example. If you look at the market capitalization of our Company under \$20 million right now, that gives almost no value to the ounces that we have in the ground at Whistler. Essentially the market's saying, they're not economic. But with higher metal prices the market will realize that those ounces do in fact have value. So, I think that's one really compelling reason.

But it goes beyond just that. We have the ability to raise capital that allows us to advance some of these earlier stage projects, which again, have great leverage to the metal prices. And I think the jurisdictions that we work in, you know, dominantly B.C., Alaska, Australia, these are great places to work. Our presence in Alaska is one that's been recognized by the state. They're willing to help and so I look to keep doing work in Alaska. We have a few other projects that we'll look to move forward up there as well.

**Fantastic. Jason, we really appreciate the time you've taken to speak with us today. All the best to you and Kiska, and I look forward to talking with you again soon.**

Thanks to you. It's been a pleasure.

## **Interview Feedback**

We welcome your questions and feedback regarding this interview at: <http://smallcaps.us/jason-weber-ceo-of-kiska-metals-describes-plans-for-5-6-million-ounces-gold-eq-whistler-project>

## **About Smallcaps.us**

Smallcaps.us highlights solid and honest companies with a market cap below \$100 million. We focus on fundamentally undervalued Companies with real revenues and earnings and we have a special interest in stocks with a high potential, innovative product or service.

## **Contact Smallcaps.us**

Twin Squares  
Culliganlaan 1  
1831 Brussels  
Belgium  
Tel. +32 (0)2 808 58 41  
E-mail: [contact page](#)

## **Copyright**

You're free to distribute this publication. You may not however add, remove, or change any content or links within this publication.

## **Legal Notice Regarding Forward Looking Statements**

The interview referenced herein may contain certain "forward-looking statements" within the meaning of applicable securities laws, including without limitation, statements related to the Company's plans, strategies, objectives, expectations, intentions and adequacy of resources. Investors are cautioned that such forward-looking statements involve risks and uncertainties including without limitation the following: (i) the Company's plans, strategies, objectives, expectations and intentions are subject to change at any time at the discretion of the Company; (ii) the Company's plans and results of operations will be affected by the Company's ability to manage its growth, and (iii) other risks and uncertainties indicated from time to time in the Company's public filings.