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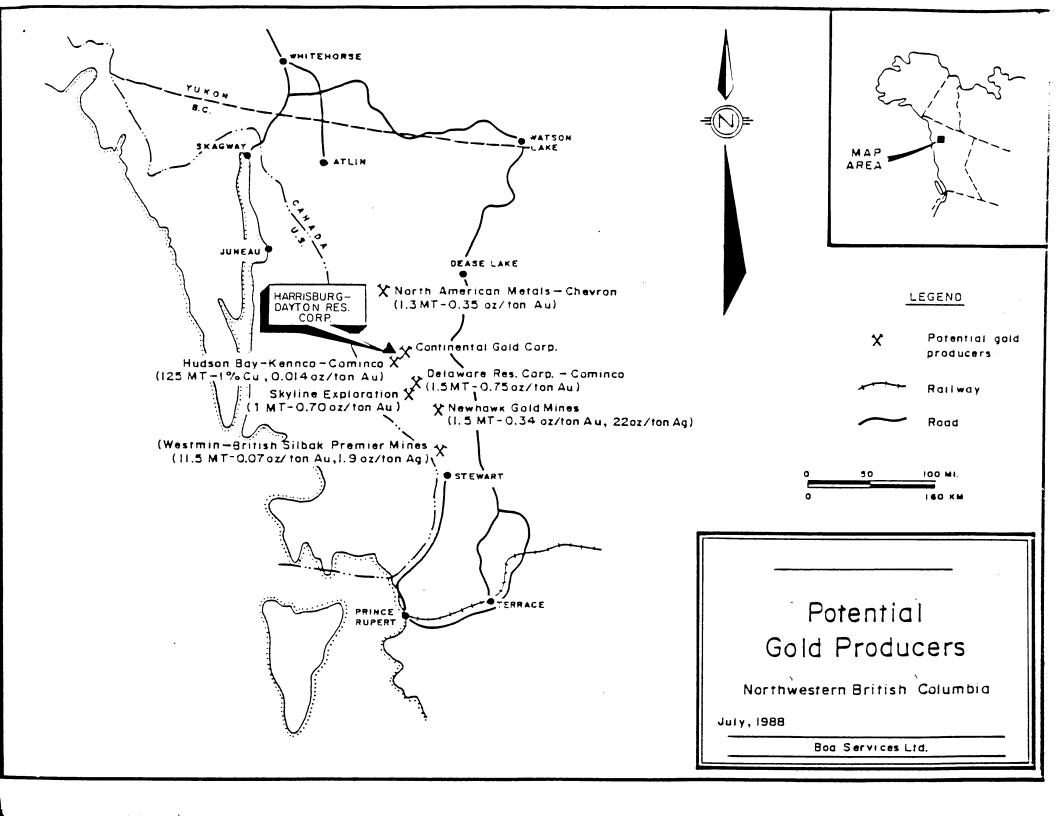
GALORE CREEK GOLD CAMP

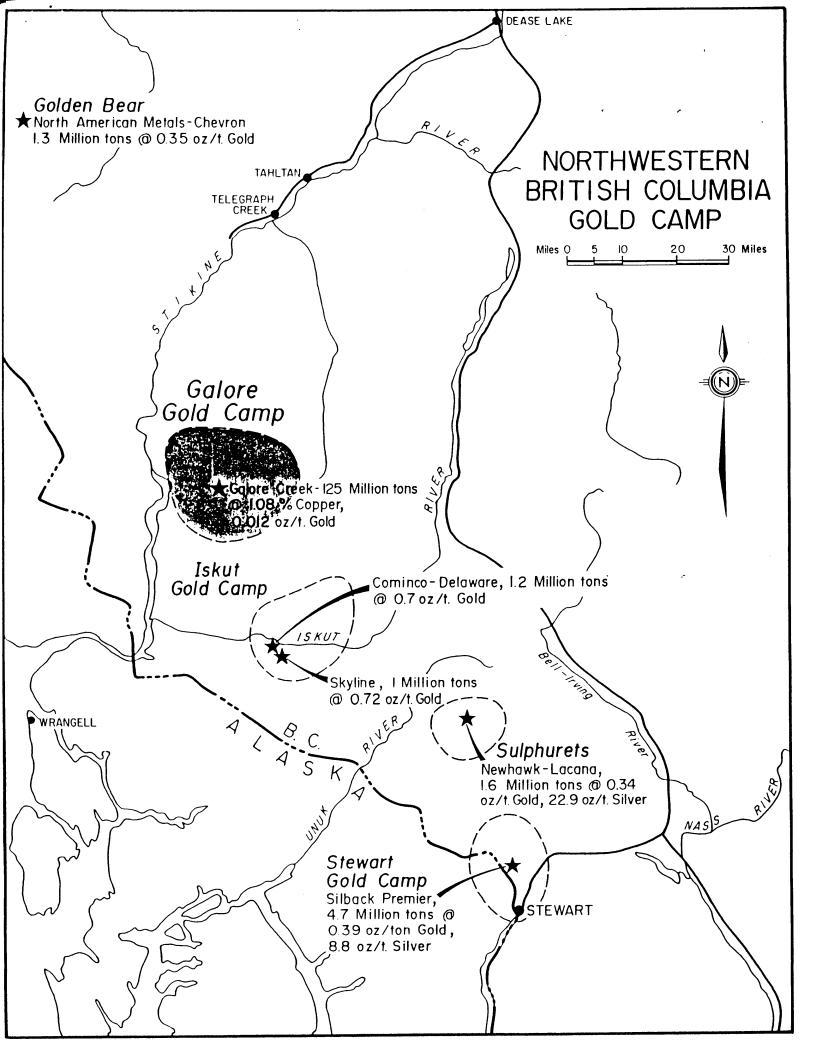
JACK CLAIM

Harrisburg-Dayton Resource Corp. has recently acquired a strategic ground position in the emerging Galore Creek Gold Camp. The Jack claim located approximately 12 km southwest of the large Galore Creek porphyry copper-gold deposit, was optioned from Consolidated Silver Standard Mines Ltd. of Vancouver. The terms of the agreement allow Harrisburg-Dayton to acquire a 75% interest in the property by spending \$750,000 and making cash payments totalling \$35,500 over a 5 year period.

The geology of the Jack claim can favourably be compared to the Delaware and Skyline gold deposits located 50 km to the south on the Iskut River. The property is underlain by Upper Triassic volcanics and sediments which appear to have been altered by the syenite intrusives in the area. These intrusives are an important key to the gold-silver deposits in the Stewart, Sulphurets, Iskut and now the Galore Creek Gold Camps. Samples taken from the Jack claim have yielded high grade gold values up to 1.509 oz/ton.

Major gold discoveries made last summer by Continental Gold, Sarabat Mining Corporation and Bellex Mining Corp. have drawn several major mining companies into this new gold camp. Homestake, Cominco, Equity Silver and International Corona have recently staked large ground positions in close proximity to the Jack claim. A recent major acquisition by Murray Pezim controlled Consolidated Goldwest has brought notoriety to the area which is shaping up to be a world class gold belt.





Harrisburg-Dayton Resource Corp., Bellex Mining Corp., TO: Schellex Gold Corp., Shareholders and Interested Parties:

The Northern Miner clipping below is illustrative of the mining industry's recent recognition of the mineral potential of the Galore Creek, B.C. gold camp.

The Northern Miner January 30, 1989

A3

Galore Creek region very active

number of important gold discoveries in recent years, exploration activity in northern British Columbia has reached record levels - and it could get busier. The latest region to heat up is the Galore Creek camp where a score of juniors are active. not to mention a few well-heeled

Located about 30 miles north of the Snip gold deposit (Cominco/ Delaware), Galore Creek is an old porphyry copper-gold camp found in the 1950s by Kennco Explorations. Geologically, it's analogous to the Sulphurets and Iskut camps further to the south.

Hudson Bay Mining & Smelting (TSE), Cominco Ltd. (TSE), Homestake Mining (NYSE), Equity Silver (TSE), and Corona Corp. (TSE), are a few of the majors in the area. Individually, and through various joint venture agreements, they are examining a number of attractive properties. Among them, the Galore Creek porphyry copper-gold deposit which is being looked at again for higher grade zones by Hudson Bay; the company's objective is to define targets for a 1990 drill program.

Cominco is reported to be working several properties in the Mess Creek/More Creek areas in the eastern part of the camp and Home-

VANCOUVER - Sparked by a stake and Equity Silver have staked and will joint venture a number of claims in the area as well. Corona has picked up several large claim blocks and plans a grass roots program this year.

> Among junior sector companies, Continental Gold (VSE) has been one of the more active participants in the region. In 1988, the company spent about \$1.3 million on its Trophy property with mixed results. About a dozen gold-silver occurrences were identified and additional work is planned this year.

> Pass Lake Resources (VSE), whose timing was impeccable, acquired a major land position at Galore Creek late last year which it optioned to three companies: Consolidated Goldwest Resources (VSE). Volcano Resources (VSE) and Lorica Resources, a private Vancouver company.

> Consolidated Goldwest, a Pezim Group company, will explore the bulk of Pass Lake's claims in the camp. A minimum of \$500,000 has been allocated for a work program that will include an airborne MAG/EM survey, prospecting, and sampling. Volcano has a minimum \$75,000 budget for preliminary exploration work adjacent to the Paydirt prospect where reserves are reported to be 200,000 tons grading

0.12 oz gold. Lorica apparently has a 1989 budget of \$100,000. Five gold occurrences have been found on the property one of which is a goldcopper massive sulphide deposit.

The Paydirt property is held under option by Longreach Resources (VSE) from Consolidated Silver Standard (VSE). This year's budget could be over \$350,000 and may include 600-700 ft of drifting plus underground drilling.

Pioneer Metals (TSE) has outlined a drill target just north of Hudson Bay Mining which it may test this year; and (VSE) has optioned the Jack claim where high grade gold values were discovered in vein material last year. Prospecting and sampling are planned this year.

Bellex Mining and Sarabat Gold, two private Vancouver companies, are planning work programs in the Jack Wilson Creek basin at Galore Creek. Detailed follow-up work is planned on several gold targets found last year. A minimum budget of \$100,000 is being considered by each of the two companies.

At this year's Cordilleran Round Up, the annual meeting of the mineral exploration industry in British Columbia and Yukon, the Galore Creek camp will have a special display in the Tweedsmuir Room, Hotel Vancouver, February 7-8, 1989. The companies in Galore Creek will spend well over \$3 million this year in precious metal exploration, including reconnaissance and advanced programs.

- 1. Bellex Mining Corp.
- 2. Sarabat Gold Corporation
- 3. Passlake/Consolidated Gold West-Joint Venture
- 4. Cominco
- Consolidated Silver Standard/Harrisburg-Dayton Resource Corp-Joint Venture
- 6. Passlake/Volcanic Resources-Joint Venture
- 7. Homestake/Equity-Joint Venture
- 8. Continental Gold Corp.
- 9. Schellex Gold Corp.
- 10. Pioneer Metals

