

W.A. No.

NAME *COMSTOCK*

SUBJECT *CARPINGS*

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82FNW077-03

002252

Dragoon Resources Ltd DGN

Shares issued: 2,096,346 Nov 12 close: \$0.49

NOV 13/87 News Release

Mr Robert McGowan reports: SW

Further to a recent private placement announced by the company, a 50,000 share finder's fee has been granted to Pamicon Developments Limited.

The Comstock-Silver Cup property in the Slocan district of BC could be a producing mine by March 1988. 82 FALW 77

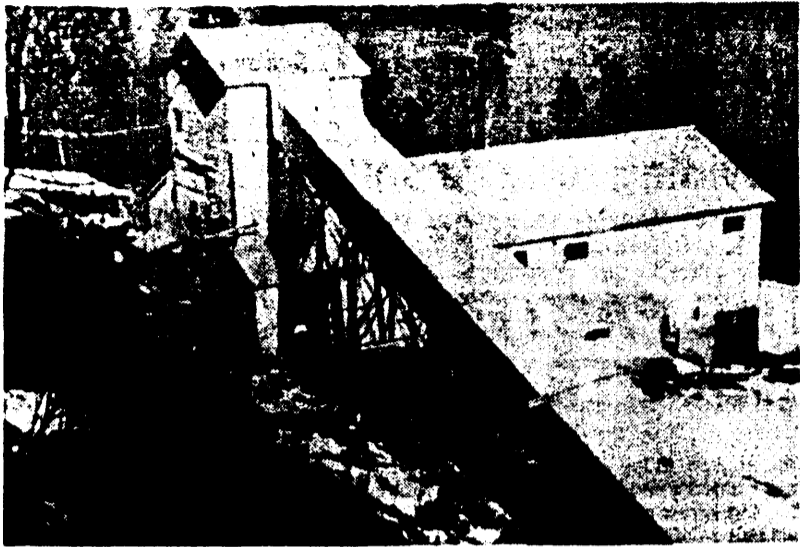
The property is 50% owned by Greenstone Resources Ltd. and 50% by the company under terms of an agreement signed last week.

The company believes there is excellent potential to obtain considerable material from the developed areas of the mine having good silver, lead and zinc grades. The main structure appears to have a vertical extension of 1,400 feet as well as a strike extension of at least 2,000 feet. There are also other structures on the property which totals more than 10,000 acres. The potential for additional reserves is considered good.

The company is part owner and operator of a mill which is located within trucking distance of the mine. The mill has a current capacity of about 150 tons per day and will be dedicated to the processing of Comstock-Silver Cup ore. Dragoon has upgraded the mill to process Comstock-type ore and metallurgical tests have been run to ensure that good recoveries can be expected.

The company believes the mine can produce a profit even with silver, lead and zinc at significantly lower prices. A more definite assessment of the economics of the project should be available in the new year.

The first task is to open up more of the existing workings and confirm grades and tonnages. This work will begin immediately and proceed through the winter. Rehabilitation of the main No. 9 haulage way has commenced. A 60 man camp site and other facilities are now in place.



The recently-acquired 150 ton-per-day mill at Ainsworth, British Columbia.

DRAGOON RESOURCES LTD.

With three properties of merit plus the recent acquisition of a 150 ton-per-day mill, Dragoon Resources Ltd. is a junior resource company active on several fronts. In addition to extensive exploration programs and mine rehabilitation work planned for 1987, the company is currently negotiating to acquire a former producing mine near its Silver Cup property. The Ainsworth mill, which is 50% owned by Dragoon and another mining company, is capable of treating lead, zinc and silver ores common to the area as well as gold ores that do not require cyanidation. Appraised in 1981 by John L. Deleen, P.Eng., at approximately C\$6 million, the concentrator is in excellent shape and will be used to process custom and company ores. Dragoon anticipates a pre-tax profit of C\$0.30 per share for the 12-month period ended June 30, 1988. The company is planning an equity financing to raise a minimum of C\$500,000.

^{82FNW077}
The Silver Cup-Comstock property, 10 miles east of Silverton in the Slocan Mining District of British Columbia, is a partly-developed underground silver/lead/zinc mine with 50,000 tons of proven reserves grading 35.0 ounces of silver per ton, 6% lead and 10% zinc. As there are eight more levels underground with reserves not included in present calculations, Dragoon expects to increase reserves substantially. To this end, plans call for the rehabilitation of the eight levels as well as 10,000 feet of surface and underground drilling. (The company plans to ship 9,000 tons of currently broken ore to its mill at Ainsworth this spring).

The Black Colt property lies two miles east of the town of New Denver, also in the Slocan Mining District. Considerable production of silver, lead, zinc along with gold, cadmium and antimony was realized in the past from properties within a two mile radius of the Black Colt property. Dragoon plans underground rehabilitation as well as a minimum of 5,000 feet of diamond drilling for the 1987 exploration season. ^{82FNW011}

The Gold Till property is located in the Tillicum Gold Camp 20 miles south of Nakusp, British Columbia and adjoins the highly-regarded La Teko-Esperanza orebody presently being developed. Geological mapping on the Gold Till property in 1983 confirmed that rocks similar to the La Teko-Esperanza property are present on the Gold Till. Geochemistry has indicated at least four anomalous zones with significant values in gold, copper, silver, lead and zinc. An agreement has recently been signed to spend C\$50,000 on exploration that will include 3,000 feet of diamond drilling, plus trenching, mapping and sampling. ^{WIN May}

Capitalization:

Inquiries:

1987

GCNL #106 02-06-80 CHOPPER MINES LTD. 82F/14 82FNW 077

ASSAY VALUES IN OLD SURFACE DUMPS - Stuart J. Cameron, president of Chopper Mines Ltd., has reported that a preliminary study was conducted on the Comstock property near Silverton, B.C. from 8May to 20May80. Access was improved and the mineralization in the old surface dumps was bulldozer trenched and sampled. Two separate dumps were sampled with 57 samples being taken at one meter intervals across 38 meters and 19 meters respectively. Results have been averaged for each: Dump No.1 - 3.92% lead, 2.29% zinc and 8.00 oz/ton silver; Dump No.2 - 0.72% lead, 2.38% zinc and 1.91 oz/ton silver. Estimated tonnages of material calculated from known underground workings on the Comstock in the two areas sampled are 6,300 tonnes and 2,700 tonnes respectively.

Evaluation of the tonnage of the Silver Cup dump just up the hillside from the Comstock dumps will be carried out in June, 1980. The company is awaiting the results of an airborne E.M. survey to spot the diamond drilling holes.

Re-opening of the Comstock adits will begin in mid-June and underground sampling and mapping will follow.

Work will commence on the company's Bridge River (McGillivray Pass) project on 15Jun80.

15 MAY 87 DRAGOON RESOURCES LTD. (DSR-V) GCNL 94
JOINT VENTURE FORMED ON - Robert J. McGowan, president,
SLOCAN DISTRICT PROSPECT reports that Dragoon Resources
Ltd. has formed a joint venture
with SKYLARK RESOURCES LTD. (SKR-V) whereby Dragoon can
earn 50% interest in the Black Colt claims at Sandon in
SE B.C. by expenditure of \$100,000. Dragoon plans a
drilling program starting in mid-July.
Mr. McGowan says this Slocan district silver-lead-
zinc property adjoins the Silvana mine of Dickenson Mines
Limited. It also adjoins a rich silver-lead-zinc deposit
now being placed in production by an independent miner.