

DETAIL OF ACQUISITIONS IN THE YMIR - Paul Frigstad, president of Arizako Mines Ltd. has B.C. GOLD AREA REPORTED - 14 GROUPS reported upon the company's acquisitions in the Ymir gold belt, near Nelson, B.C. The company acquired a 75% interest in the Yankee Girl and Dundee mining properties from Burlington Gold Mines Ltd. Arizako has agreed to pay Burlington 250,000 shares of Arizako and that Burlington's 25% profit share will have a minimum advance royalty of \$250,000 per year starting in 1985. Secondly, Arizako agrees to pay Burlington 50% of any profit realized from the operation of the dumps on the property. This 50% profit share shall have a minimum of \$5,000 per month starting in June 1984. If the dumps are found not to be commercial, Arizako has the right to return the dumps to Burlington.

Arizako has an agreement with the principals of Golden Zone Resources Inc. a private B.C. company, to acquire all Golden Zone's assets for 950,000 shares of Arizako. The principals of Golden Zone, Ralph Sostad and Captain Bob Davie will join the board of Arizako.

A group of four companies including Arizako Mines have a letter of intent with David Minerals to lease the H.B. mill at Salmo, B.C. This mill is located 10 km from the centre of the Ymir camp. (See property location map overleaf for land holdings by Arizako)

Between 1900 - 1939 the Yankee Girl, Dundee vein system produced 410,000 tons of ore containing 103,000 oz. gold, 535,000 oz. silver, 12,000,000 pounds of lead, 11,000,000 pounds of zinc and 2,500,000 pounds of cadmium from several levels. Inferred reserves are 872,000 tons of approximately the same grade as that mined.

Golden Zone Resources holds the Lost Cabin mine, the Jennie Bell, the Gold Cup mine, the Old Timer mine, the Dumas mine, the Daybreak mine and at Hallcreek adjoining the Ymir camp, the Bear mine, the Bear No.1 and the Gold King. These were mined by shallow working and there is considered to be good depth potential for extensions.

Arizako is in negotiation with two other groups which, if successful, will complete the acquisition of most of the known producers.

Arizako intends to return these properties to production as well as taking its own property, the Centre Star mine, through exploration and development. The Centre Star produced from three levels and the stopes were up to 25 feet wide. Diamond drilling indicates this structure continues to depth.

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ARIZAKO MINES LTD.

BURLINGTON GOLD MINES LTD.

AGREEMENT COMPLETED ON YMIR, B.C GOLD PROPERTY - Arizako Mines Ltd. has completed an agreement with Burlington Gold Mines Ltd. covering the gold property and tailings dumps at the Yankee Girl and Dundee mines at Ymir, near Nelson, B.C. The 40-claim property includes 26 Crown granted claims. Under the agreement the 400,000 tons of dumps are to be explored and processed, if economic, with the profits to be split 50-50 to the two companies. As well, the claims are to be explored with any profits from production divided 75% to Arizako and 25% to Burlington. Arizako is to issue up to 250,000 treasury shares to Burlington for the option to earn the interests and will pay advance royalties of \$5,000 per month on the dumps plus \$250,000 per year starting in 1985.

Burlington Gold recently received \$81,650 new funds through the exercise of A and B share purchase warrants.