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KINGSVALE RESOURCES LTD.

904-675 WEST HASTINGS STREET

VANCOUVER, B.C. V6B 1N2

TELEPHONE: 688-3500

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The company is carrying out an aggressive exploration program on the Yankee Dundee property located at Ymir, about 20 miles south of Nelson, B.C.. Kingsvale has acquired an option to earn a 50% interest in the Yankee Dundee property from BGM Diversified Energy Inc. by agreeing to spend \$1,000,000 on exploration work before March 31, 1990. Prior to 1938 the Yankee Dundee property produced 181,635 tons of ore averaging 0.50 oz/ton gold along with values in silver, zinc, lead and cadmium. Geological mapping and a VLF-EM survey have been completed over 20 miles of grid lines. Excavator trenching commenced in mid-August and this work is still in progress.


A strong quartz-filled shear zone striking 055 degrees through the Evening Star shaft has been traced by the geophysical survey 4000 feet southwestward through the Lakeview fault zone into the old Dundee Mine stopes. Several trenches have exposed quartz veining along the shear zone. Assays received to date show gold mineralization in trenches sampled 1200 feet southwest of the Evening Star Shaft. Samples taken in the Evening Star Shaft average 0.295 oz/ton gold and 3.45 oz/ton silver over a width of 8 feet. A sampled interval 115 feet southwest of the shaft averages 0.65 oz/ton gold and 1.17 oz/ton silver across 9 feet. Samples taken 243 feet and 262 feet west of the shaft returned assays of 1.71 oz/ton gold across 4 feet and 0.194 oz/ton gold across 5.7 feet respectively. More assays are expected from the trenching program which will continue into early November.

A new quartz vein, discovered by trenching, has returned gold assays of 1.44 oz/ton gold across 2.6 feet and 0.301 oz/ton gold across 1.3 feet.

Both of these vein systems offer attractive diamond drilling targets.

Two thousand feet below surface in the Wildhorse adit the main productive Yankee Girl vein and the Bonus vein have been mapped and sampled. Both carry low grade gold values at this level. The Bonus vein is not well explored and provides a good target for drifting and diamond drilling above the 2000 foot level.

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 Albert F. Reeve
 Director

The Vancouver Stock Exchange has neither approved nor disapproved of the contents of this release.