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Genesis Resources Corporation      GES  
Shares issued: 3,345,373      Feb 14 close: \$0.70  
News Release

Mr. Grant Howes reports:

The company has entered into an agreement with Northwind Ventures Ltd. to acquire a 37.5% interest in two mineral properties known as the Rachel property and Shawn property which are both located in the Nelson mining division.

The Rachel property is located 22 km southwest of Nelson, B.C. The property covers approximately 750 hectares (1853 acres) in a single contiguous block with dimensions of 1.9 km x 1.6 km. In an engineering report prepared by Taiga Consultants Ltd., it was recommended that a two phase program be carried out on the property involving an expenditure of \$80,000. Phase I of the program consists of flagged grid emplacement, soil geochemical sampling, detailed geological mapping and prospecting. The goal in phase I is to verify the reported tenure of mineralization and to prospect for and to delineate additional structures that could host other mineralized quartz veins. Subsequent to the phase I program, four shallow diamond drill holes are proposed in phase II to test for the down

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plunge extension of the Rachel vein. The total consideration for the working interest in the Rachel property to be paid by the company to Northwind Ventures Ltd. consists of \$45,000 in cash and work commitments and the issuance of 50,000 shares of the company in two blocks of 25,000 shares each, the first block on approval of the company's statement of material facts which the company hopes to file within the next 30-45 days and the second block on completion of phase I work.

The Shawn property is located in the Nelson range, about 15 km northeast of Salmo and 30 km southeast of Nelson, B.C. In an engineering report prepared by Taiga Consultants Ltd., it was concluded that in order to better determine the extent, continuity, grade and geological controls of the gold bearing quartz veins on the Shawn property, a preliminary systematic exploration program consists of detailed geological surface mapping, soil geochemical sampling and magnetometer surveys. The phase II program would be based on positive results from phase I and would consist of detailed trenching and diamond drilling in conjunction with continued systematic exploration of the property. The total estimated costs for phase I and phase II exploration of the Shawn property is \$100,000. In order to acquire its working interest in the Shawn property the company will be required to pay in cash and work commitments a total of \$45,000 and to issue 50,000 shares of the company to Northwind Ventures Ltd. These shares will be issued in two blocks of 25,000 shares each, the first block on approval of the company's statement of material facts and the second block on completion of phase I work.

The acquisition of the Rachel and Shawn properties, will form an additional part of the company's reactivation plan which was announced by the company in its last news release reported in the Stockwatch dated May 21, 1987. Shareholder approval of the reactivation plan will be sought at the company's annual general meeting on July 10, 1987 and it will then be submitted for approval to the British Columbia securities commission in order to have the cease trade order dated February 21, 1986 and extended April 10, 1986 issued against the company rescinded. This property acquisition is subject to regulatory approval.