

TILlicum-MOUNTAIN GOLD
SHOWINGS TO BE EXPLORED

CORPORATE STRUCTURE

Public Offering: By 20Apr83 prospectus registered 10Jun83 with B.C. Sup't. of Brokers, are offering 500,000 shares at \$1.25 each to net \$1.00, a total of \$500,000. All the shares have been sold, the proceeds received and an application for listing on Vancouver Stock Exchange is in preparation.

Incorporated: B.C., 31Aug82.

Head Office: 1027 - 470 Granville St., Vancouver, B.C.

Registered Office: 3000 - 1055 W. Georgia St., Vancouver, B.C.

Registrar & Tsf. Ag.: Canada Trust Company.

Authorized Capital: 10,000,000.

Shares Issued:

For \$192,000	1,280,000
For \$ 54,000	180,000
For \$ 27,000	45,000
For Property	750,000
Offered 20Apr83 prospectus	500,000
	<u>2,755,000</u>

Escrow & Pool Shares: 750,000 escrowed; 1,505,000 pooled for release 25% on VSE listing day and 25% each 3 months thereafter.

Directors: James Billingsley, president, Vancouver, B.C.; John Brock, West Vancouver, B.C.; Ralph Allen, Nakusp, B.C.; Irene Wilson, secretary, Richmond, B.C.

Principal Shareholders: Ralph Allen with 425,000; Welcome North Mines Ltd. with 337,000 and Esperanza Explorations with 337,500 shares.

The Chieftain silver-gold vein was first staked in 1890. The Minister of mines reports mention sporadic activity and attempts to achieve production during the period 1928 to 1934. In 1934, a production of 5 tons was recorded, the reported assay was 0.80 ozs./ton gold and 77.86 ozs./ton silver. Sampling by Mr. Watson shows that the Chieftain vein contains erratically distributed silver and gold. 82KSW052

The Western Block (Promestora Group) contains the Skylark and Promestora gold-lead-zinc veins. The Skylark one is situated 13 kilometres north-east of the town of Burton, between the headwaters of Mineral and Rodd Creek. Exploration of the Skylark zone to date shows persistence of the vein along strike, with variable widths and grades in lead, zinc, silver and gold. The zone is open to the north and the south, and has not been tested at depth. Best visible mineralization is in the underground workings at the south end of the vein, where chip samples yielded 9.2 and 23.68 ozs. silver/ton over better than one metre width.

The Promestora adit is situated on the west side of Mineral Creek at about 1350 metres elevation. The Promestora vein is hosted and controlled by a strong east-west graphitic shear zone. Sampling by Mr. Watson confirms the presence of significant gold as indicated by earlier sampling and by the limited production figures.

The program applicable to each of the prospects is as follows: prospecting, geological mapping and sampling; linecutting; geochemical; EM and magnetometer surveys. In addition to the first stage additional work will be necessary on the Promestora, Skylark and Chieftain zones. Total cost of stage I is estimated at \$224,450. Stage II consisting of diamond drilling will cost an additional \$180,500.

The company's Monashee properties are situated at the headwaters of the Kettle River in the Monashee Mountains, Vernon mining division, B.C. The Monashee properties are divided into East and West blocks.

Nakusp plans to carry out the programs recommended by Laurence Sookochoff, P.Eng., in his reports dated 2Mar83 and 3Mar83. The programs will consist of mapping, prospecting, sampling, geochemical surveying, trenching and max-min surveys at a cost of \$45,000.