

NO. 231(1989)
DECEMBER 1, 1989

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WESTERN CANADIAN

ALGO RESOURCES LIMITED (AGO-V)

MINERALIZATION CUT IN - Errol C. Hemingson, president, ADAMS LAKE DRILLING has reported Algo Resources has received Minnova's 3rd quarter program report on Algo's 100% owned OK 1 & OK 11 claims adjacent to the Rea Gold-Minnova Inc. Samatsum Mine near Barrier, B.C. Three holes of 1300 meters in total have been completed. These holes were targeted on the Homestake schist package which hosts the Homestake deposit approximately 4 km to the South East. The schist package was located in each hole.

Disseminated sulphide was present in all holes, pyrite being the principal component with minor sphalerite, galena and calcopyrite. The best intercept contained 0.04% copper, 3.67% zinc, 0.87% lead, 12.1 g/t silver (0.425 oz. silver/t) and 0.21 g/t gold (.007 oz gold/t) over 0.8 meters in hole MOK-89-3 occurred in a quartz-sulphide vein, but numerous other sections show anomalous values up to 5155 ppm zinc.

Minnova has the option to spend 1,000,000 over a 4 year period, ending May 1st, 1992 and make a cash payment to Algo of \$100,000 to earn a 60% interest in the OK claims.

Algo has appointed R. Gordon Nicks, C.G.A. as corporate secretary and chief financial officer.

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