

PROPERTY FILE

RM

005051

File in: 82M 191

Xref: 92P 014



VANCOUVER STOCK EXCHANGE

BRITISH COLUMBIA, CANADA

~~92P 014~~

FILING STATEMENT

(# 076/87)

GLITTER GOLD MINES LTD.

028-0722

NAME OF COMPANY

400 - 815 West Hastings Street
Vancouver, British Columbia
V6C 3G9
Telephone No. 681-2560

Glitter Gold Mines Ltd.
#6 345 Victoria St
V6C 2A4
Attn: Rob. Metcalfe

HEAD OFFICE ADDRESS AND TELEPHONE NUMBER OF COMPANY

GUARANTY TRUST COMPANY OF CANADA
800 West Pender Street
Vancouver, British Columbia
V6C 2V7

NAME AND ADDRESS OF COMPANY'S REGISTRAR AND TRANSFER AGENT

The Vancouver Stock Exchange has not in any way passed upon the merits of the securities or the Company. The information contained in this Filing Statement has been supplied to the Exchange by the Company, and the Exchange has relied upon this information in accepting the Filing Statement.

**GLITTER GOLD MINES LTD.
(the "Company")**

**ITEM 1. STATEMENT OF MATERIAL CHANGE
IN THE AFFAIRS OF THE COMPANY**

A. Acquisition of Resource Properties

I. The G.M. Mineral Claims 12/9W

By an arms' length agreement dated October 24, 1986 with Larry McGregor of P.O. Box 150, Kamloops, British Columbia, V2C 5K3, the Company acquired an option to purchase a 100% interest in certain mineral claims located in the Kamloops Mining Division, British Columbia, described as follows:

<u>Claim Name</u>	<u>Record Number</u>	<u>Number of Units</u>	<u>Expiry Date</u>
G.M.	6799	4	September 30, 1987
G.M. - 2	6800	20	September 30, 1987

The total purchase price for the G.M. mineral claims is the sum of \$25,000, which has been paid to Larry McGregor, and the issuance of 200,000 shares of the Company as follows:

- (a) 50,000 shares to be issued upon receipt of regulatory approval;
- (b) 50,000 shares to be issued upon completion of a \$15,000 work program by June 30, 1987 and the filing of an acceptable report with the Vancouver Stock Exchange recommending the completion of a further work program;
- (c) 50,000 shares to be issued upon completion of a \$50,000 work program by June 30, 1988 and the filing of an acceptable report with the Vancouver Stock Exchange recommending the completion of a further work program; and
- (d) 50,000 shares to be issued upon completion of a \$50,000 work program by June 30, 1989 and the filing of an acceptable report with the Vancouver Stock Exchange recommending the completion of a further work program.

Larry McGregor will retain a net smelter return royalty of 3 1/2%, which may be purchased by the Company for \$1,500,000, for a period of five years from the date of the agreement.

Larry McGregor staked and recorded the G.M. mineral claims in August and September, 1986.

The G.M. mineral claims are underlain by Upper Triassic Nicola Group rocks consisting of meta-volcanics, intrusives and limestone. Dacite porphyry of the Eocene Kamloops Group has apparently intruded the Nicola Group rocks. A major fault transects the property. There is minor copper mineralization at two areas of the property.

The G.M. mineral claims are more fully described in the report dated December 10, 1986 prepared by A.F. Roberts, P.Eng., and the report dated July 6, 1983 prepared by J.D. Blanchflower, F.G.A.C., copies of which are available for inspection at the head office and registered office of the Company during normal business hours.

Past work on or near the present G.M. mineral claims located geochemical anomalies, one of which had a coincident Induced Polarization anomaly, and is now being prepared for mining. With all indications being favourable, the G.M. mineral claims are considered to have good geological potential for finding a copper-gold orebody.

A.F. Roberts, P.Eng., recommended the commencement of a three phase exploration program on the G.M. mineral claims. Phase I, at an estimated cost of \$23,000, would consist of making a magnetic survey using a Scintrex IGS II, Integrated VLF-EM and Proton Magnetometer sensitive to one gamma, and establishing a grid to be 25 metres by 50 metres with the base line orientated on Cutler, Maine, U.S.A., which will cause the cross lines to cut the rock formations at nearly a right angle.

Phase II, at an estimated cost of \$28,000, will consist of an Induced Potential survey over areas of interest. Phase III consisting of diamond and percussion drilling cannot be estimated without the results from Phases I and II.

The G.M. mineral claims are without a known body of commercial ore and any program conducted on it will be an exploratory search for ore.

II. The WHY Mineral Claim

By an arms' length agreement dated October 29, 1986 as amended March 28, 1987 and April 14, 1987 with Allan Hilton of 34-750 Fortune Drive, Kamloops, British Columbia, V2B 2L2, the Company acquired an option to purchase a 100% interest in a certain mineral claim located in the Vernon Mining Division, British Columbia, described as follows:

<u>Claim Name</u>	<u>Record Number</u>	<u>Number of Units</u>	<u>Expiry Date</u>
WHY	2048	20	October 30, 1987

The total purchase price for the WHY mineral claim is the sum of \$30,000, which has been paid to Allan Hilton, and the issuance of 200,000 shares of the Company as follows:

- (a) 25,000 shares to be issued upon receipt of regulatory approval;
- (b) 25,000 shares to be issued upon completion of a \$15,000 work program by June 30, 1987 and the filing of an acceptable report with the Vancouver Stock Exchange recommending a further work program;
- (c) 50,000 shares to be issued upon completion of a \$25,000 work program by December 31, 1987 and the filing of an acceptable report with the Vancouver Stock Exchange recommending a further work program;
- (d) 50,000 shares to be issued upon completion of a \$50,000 work program by June 30, 1988 and the filing of an acceptable report with the Vancouver Stock Exchange recommending a further work program.
- (e) 50,000 shares to be issued upon the completion of a work program and the filing of an acceptable report with the Vancouver Stock Exchange recommending the completion of a further work program.

Allan Hilton will retain a net smelter return royalty of 3 1/2%, which may be purchased by the Company for \$1,500,000, for a period of five years from the date of the agreement.

Allan Hilton staked and recorded the WHY mineral claims in October, 1985.

The WHY mineral claim is underlain by granitic rocks of Jurassic or Cretaceous age which are intruded by a small Tertiary syenitic stock. Overlying the granitic rocks are a sequence of andesitic and basaltic rocks of Eocene to Miocene age.

The WHY mineral claim is more fully described in the report of Geoquest Consulting Ltd. dated November 24, 1986, a copy of which is available for inspection at the head office and registered office of the Company during normal business hours.

Since no record of mineral occurrences or exploration is available on the WHY mineral claim, references to the adjoining Brett

property are used in the report. Here significant precious metal mineralization occurs within (1) polymetallic quartz veins in granitic rocks and (2) younger, structurally controlled "epithermal type" shear/vein and/or silicified zones cutting Tertiary volcanic rocks. The epithermal occurrences have been the recent focus of exploration on the Brett property.

Soil geochemical surveys by Huntington Resources Inc. indicate anomalous values for gold, silver and lead near the Brett/WHY claim boundary. Heavy mineral sampling of the drainage near the WHY/Brett claim boundary returned highly anomalous values for gold and tungsten. These indications combined with the nearby mineralized zones and Tertiary intrusive suggest that the WHY claim has excellent exploration potential.

Geoquest Consulting Ltd. recommended that a three phase exploration program be undertaken on the WHY mineral claim. Phase I, at an estimated cost of \$15,000, would consist of preparation of a 1:5000 scale topographic plan, establishment of a grid consisting of lines at 200 meter (E-W) intervals with 50 meter stations, soil sampling and analysis for gold over the entire grid area, geological mapping of the grid area, and sampling drainages using conventional silt sampling and panning. Phase II, contingent upon the success of Phase I, would involve detailed grid, soil sampling and geological mapping of any anomalous areas, access road construction and excavation trenching and sampling, at an estimated cost of \$25,000. Phase III, contingent upon favourable Phase II results, would consist of drill access road construction, preparation of drill site and exploratory diamond drilling, at an estimated cost of \$50,000.

The WHY mineral claim is without a known body of commercial ore and any program conducted on it will be an exploratory search for ore.

III. The MD Mineral Claims

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By an arms' length agreement dated October 29, 1986 as amended April 14, 1987, with Michael McElgunn of R.R. #1, Site 8, Comp. 23, Kamloops, British Columbia, V2C 1Z3, the Company acquired an option to purchase a 100% interest in certain mineral claims located in the Kamloops Mining Division, British Columbia, described as follows:

<u>Claim Name</u>	<u>Record Number</u>	<u>Units</u>	<u>Expiry Date</u>
MD-1	6079 (2)	10	February 22, 1988
MD-2	6080 (2)	16	February 22, 1988
MD-3	6081 (2)	8	February 22, 1988
MD-4 FR	6099 (3)	1	March 29, 1988
MD-5 FR	6100 (3)	1	March 29, 1988
MD-6 FR	6101 (3)	1	March 29, 1988

The total purchase price for the MD mineral claims is the sum of \$100,000 to be paid to Michael McElgunn and the issuance of 200,000 shares of the Company as follows:

- (a) the sum of \$40,000, which has been paid;
- (b) 50,000 shares to be issued upon receipt of regulatory approval;
- (c) the sum of \$10,000 to be paid and 50,000 shares to be issued upon completion of a \$25,000 work program by July 15, 1987 and the filing of an acceptable report with the Vancouver Stock Exchange recommending a further work program;
- (d) the sum of \$15,000 to be paid and 50,000 shares to be issued upon completion of a \$45,000 work program by December 1, 1987 and the filing of an acceptable report with the Vancouver Stock Exchange recommending a further work program; and
- (e) the sum of \$35,000 to be paid and 50,000 shares to be issued upon completion of a \$60,000 work program by June 30, 1988 and the filing of an acceptable report with the Vancouver Stock Exchange recommending a further work program.

Michael McElgunn will retain a net smelter return royalty of 3 1/2%, which may be purchased by the Company for \$1,500,000, at any time up to the earlier of the date of commencement of commercial production or the date five years from the date of the agreement. If the Company neither commences commercial production nor purchases the 3 1/2% net smelter return royalty within five years from the date of the Agreement, all interest in the MD mineral claims will revert to Michael McElgunn.

The southern half of the MD mineral claims is underlain by the Iron Mask Batholith, a major intrusive structure consisting of alkaline intrusives - syenite, diorite and gabbro, within which several orebodies have been found. Most of the northern half is underlain by Nicola Group augite prophyry, augite plagioclase

prophyry, volcanic breccia tuff and interbedded argillite. On the east boundary there are some Eocene Kamloops Group rocks.

The MD mineral claims are more fully described in the report dated December 15, 1986 prepared by A.F. Roberts, P.Eng., a copy of which is available for inspection at the head office and registered office of the Company during normal business hours.

The MD mineral claims have been subjected to a number of geochemical and induced potential surveys in the past with a considerable amount of drilling. A small orebody was found in the area, 400,000 tons of 0.35% copper, which is encouraging. There are small orebodies to the north and south of the MD mineral claims, and a major one, the Ajax property of Cominco, to the west. The MD mineral claims are still considered to be an excellent target for finding an economic orebody of copper-gold mineralization using the improved instrumentation available today.

A.F. Roberts, P.Eng., recommended the establishment of a three phase exploration program of the MD mineral claims. Phase I, at an estimated cost of \$30,000, will consist of a Proton Magnetometer survey with a sensitivity of one gamma using the Scintrex IGS II equipment, while simultaneously running a VLF-EM survey, and laying out a grid 50 metres by 26 metres with the base line orientated on the VLF station at Cutler, Maine.

When interpretation of the mapping is complete, Phase II will consist of a deep penetration IP survey over selected areas, at an estimated cost of \$55,000. The cost of Phase III, which would consist of diamond and percussion drilling, cannot be estimated without the results from Phases I and II.

There has been only one small known body of copper on the MD mineral claims and any program conducted on the property will be an exploratory search for more ore.

IV. The Elm and Plata Mineral Claims

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By an arms length agreement dated October 31, 1986 as amended April 14, 1987 with Larry McGregor of P.O. Box 150, Kamloops, British Columbia, V2L 5K3, the Company acquired an option to purchase a 100% interest in certain mineral claims located in the Kamloops Mining Division, British Columbia, described as follows:

<u>Claim Name</u>	<u>Record Number</u>	<u>Units</u>	<u>Expiry Date</u>
Elm 1	1180	1	April 26, 1988
Elm 2	1181	1	April 26, 1988
Elm 3	1182	1	April 26, 1988
Elm 4	1183	1	April 26, 1988
Elm 5	1184	1	April 26, 1988
Elm 6	1185	1	April 26, 1988
Elm 7	1303	1	July 26, 1987
Elm 8	1304	1	July 26, 1987
Plata 1	6818	20	October 31, 1987
Plata 2	6819	20	October 31, 1987

The total purchase price for the Elm and Plata mineral claims is the sum of \$55,000 to be paid to Larry McGregor and the issuance of 200,000 shares of the Company as follows:

- (a) the sum of \$30,000, which has been paid;
- (b) 50,000 shares to be issued upon receipt of regulatory approval;
- (c) 50,000 shares to be issued upon completion of a \$15,000 work program by July 31, 1987 and the filing of an acceptable report with the Vancouver Stock Exchange recommending a further work program;
- (d) the sum of \$10,000 to be paid one year from the date of regulatory approval of the agreement;
- (e) 50,000 shares to be issued upon completion of a \$25,000 work program by July 31, 1988 and the filing of an acceptable report with the Vancouver Stock Exchange recommending a further work program;
- (f) the sum of \$15,000 to be paid two years from the date of regulatory approval of the agreement; and
- (g) 50,000 shares to be issued upon completion of a \$40,000 work program by July 31, 1989 and the filing of an acceptable report with the Vancouver Stock Exchange recommending a further work program.

Larry McGregor will retain a net smelter return royalty of 3 1/2%, which may be purchased by the Company for \$1,000,000, for a period of five years from the date of the agreement.

Until production is reached, the Company will make advance payments of \$6,000 per year for three years from the end of the agreement and \$12,000 per year for succeeding years, all

deductible from royalty or buy-out payments.

The Elm and Plata mineral claims cover an area underlain by multi-phase intrusions related to the Copper Creek intrusives. The emplacement of these intrusives appears to be related to regional northwest trending fault zones in an area with crosscutting structural features. Sulphide mineralization (chalcopyrite, tetrahedrite and pyrite) is found in a northwest trending quartz-carbonate vein zone running parallel to (and north of) Criss Creek in the centre of the mineral claims.

The Elm and Plata mineral claims are more fully described in the report dated December 23, 1986 prepared by Douglas H. Leishman, B.Sc., a copy of which is available for inspection at the head office and registered office of the Company during normal business hours.

Values up to 16 ounces per ton silver and 0.12 ounces of gold have been reported from within the quartz-carbonate vein. Anomalous values in gold (1025ppb) and silver (4 ounces per ton) were found in character samples taken by Douglas A. Leishman on the same vein. Other samples taken in the vicinity of the above also returned anomalous values in gold and silver.

The presence of highly anomalous precious metal values in an area of crosscutting structural features combined with multi-phase intrusive activity presents a viable mineral exploration target. Douglas A. Leishman recommended a two phase exploration program with a total budget of \$81,650 to explore and develop the economic potential of the Elm and Plata mineral claims. Phase I would consist of establishing a grid, soil sampling, a magnetometer survey, followed by trenching and geological surveys, at an estimated cost of \$40,950. Phase II of the exploration program would consist of drilling the targets outlined in Phase I and would have a proposed budget of \$40,700.

The Elm and Plata mineral claims are without a known body of commercial ore and any program conducted on it will be an exploratory search for ore.

V. The R.S. 1 Mineral Claim

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By an arms' length agreement dated November 3, 1986 as amended April 14, 1987 with Allan Hilton of 34 - 750 Fortune Drive, Kamloops, British Columbia, V2B 2L2, the Company acquired an option to purchase a 100% interest in a certain mineral claim located in the Kamloops Mining Division, British Columbia, described as follows:

<u>Claim Name</u>	<u>Record Number</u>	<u>Units</u>	<u>Expiry Date</u>
R.S. 1	5251	20	December 16, 1987

The total purchase price for the R.S. 1 mineral claim is the sum of \$30,000, which has been paid to Allan Hilton, and the issuance of 200,000 shares of the Company as follows:

- (a) 50,000 shares to be issued upon receipt of regulatory approval;
- (b) 50,000 shares to be issued upon completion of a \$15,000 work program by June 30, 1987 and the filing of an acceptable report with the Vancouver Stock Exchange recommending a further work program;
- (c) 50,000 shares to be issued upon completion of a \$25,000 work program by December 31, 1987 and the filing of an acceptable report with the Vancouver Stock Exchange recommending a further work program; and
- (d) 50,000 shares to be issued upon completion of a \$50,000 work program by June 30, 1988 and the filing of an acceptable report with the Vancouver Stock Exchange recommending a further work program.

Allan Hilton will retain a net smelter return royalty of 3 1/2%, which may be purchased by the Company for \$1,500,000, for a period of five years from the date of the agreement.

The following is a summary of the report of Douglas A. Leishman, B.Sc., consulting geologist dated January 30, 1987.

The RS-1 mineral claim is located in southcentral British Columbia approximately 70 kilometres northeast of Kamloops and about 15 kilometres north of the Trans Canada Highway at Squilax, B.C. The property is reached by 65 kilometres of paved highway, then 20 kilometres of poor quality gravel roads to within one kilometre of the eastern boundary of the claim.

Intermittent mineral exploration has taken place in the Barriere Lakes - Adams Plateau region since the early 1920's. The earlier exploration efforts were concentrated towards exploring and developing several of the stratabound base-metal deposits (lead-zinc-silver) known throughout the region. However these mineral occurrences have never proven to be economic over the long term. More recently, since the early 1960's and 70's a number of new copper occurrences have been discovered within the Eagle Bay Formation (Devonian) and it has been recognized that most of these mineral occurrences are related to volcanogenic activity.

In 1983 a new volcanogenic massive sulphide prospect was discovered on ground controlled by Rea Gold Corporation. This discovery led to the staking of the RS-1 claim.

In July 1984, the RS-1 claim was optioned to Desperado Resources Inc. and a joint venture agreement was concluded between Desperado and Totem Industries Ltd.

A work program consisting of reconnaissance geological mapping, with subsequent geochemical and geophysical surveys was completed. The initial work indicated that the western two-thirds of the property was underlain by late Devonian granite and granodiorite orthogneiss. Based on these observations it was decided to concentrate exploration efforts on the east side of the mineral claim within an area underlain by the Devonian Eagle Bay Formation. A total of 10.8 kilometres of control grid were established.

The work completed at this time outlined geochemical anomalies with coincident geophysical responses within areas of favourable geology. Further work was recommended, however the joint venture was out of money. The results from this work programme form the basis for the continuation of work on RS-1 mineral claim.

The RS-1 mineral claim is underlain by a Late Devonian stock of granite and granodiorite composition (the western two thirds of the property) while the eastern portion of the claim group is underlain by units of the Eagle Bay Formation. The extent of the above intrusion was not known prior to the 1984 work programme on the RS-1 mineral claim as the mapping by Preto et al, did not extend to the Nikwikaia Creek Valley.

The RS-1 claim is underlain by a northwesterly trending, folded and metamorphosed sequence of mafic volcanics, volcanoclastics and sediments all belonging to the Late Devonian to Early Mississippian Eagle Bay Formation. This sequence has been intruded by at least four varieties of igneous rocks, which intrudes a Late Devonian granite and granodiorite orthogneiss, and several varieties of much younger genetically related dykes.

A large Late Devonian stock of granite thru to granodiorite orthogneiss composition, underlies the western two thirds of the RS-1 property. The extent of this intrusive was unknown prior to the mapping of the property as the regional mapping completed by Preto et al., did not extend to the Nikwikaia Creek valley. Most of the eastern third of the RS-1 property is underlain by sequences of the Eagle Bay Formation which consists of three main units. The oldest unit in this sequence consists of mafic volcanics and related volcanoclastics consisting of subaqueous flows and mafic lapilli with assorted pyroclastics. Intercalated

within this unit are beds of detrital sediments and locally lenses of chemical chert with minor argillites. Some of these argillites have significant amounts of diagenetic pyrite (up to 5%). Lying above this sequence of mafic volcanics is one major lense of chert which is considered to be a chemical deposit. This evidence of volcanic exhalative activity demonstrates that an environment for volcanogenic sulphides exists within the RS-1 mineral claim. Detrital sediments appear to form the upper most unit of the Eagle Bay Formation sequence within the RS-1 mineral claim. Strata in this unit include metamorphosed quartz-rich wacke, lithic wacke and phyllitic quartzites.

Intruding the above sequence in the eastern part of the claims are northeasterly trending quartz feldspar porphyry dykes. Finally, along the eastern claim boundary a gabbro dyke intrudes both the Eagle Bay volcanics and sediments and the quartz feldspar porphyry dykes. This dyke trends northerly for over 1.4 kilometres within the claim group. The dyke often contains up to 10% magnetite.

Limited geochemistry has been completed over the RS-1 property. A total of 345 soil samples were taken over the property with survey work concentrated on the eastern portion of the claim group. Soil samples were taken at 25 metre intervals along lines spaced at 200 metres over most of the eastern part of the claim group.

Base metal values obtained in the original survey work are very encouraging. Values greater than 1,300 ppm copper, 2,000 ppm lead and 4,000 ppm zinc are found within the anomalous zones. The large anomalous geochemical zone centred on Line 106N has numerous values up to the magnitude mentioned above. In the same area silver values of up to 4.8 ppm are also found in the soils.

The soil geochemical survey performed on the RS-1 claim has been successful. However, the wide line spacing and lack of sampling over the western two thirds of the property has left large parts of the RS-1 claim relatively unexplored.

The RS-1 mineral claim is relatively unexplored. However geological, geochemical and geophysical data as illustrated in Figure 3 and 4 and described within this report illustrates the RS-1 mineral claim lies in a favourable area for the potential discovery of volcanogenic massive sulphide deposits.

The work completed on the RS-1 mineral claim has been of a reconnaissance nature and therefore the mineral claim is relatively unexplored. However, the completed work has outlined one large area where there are a number of co-incident geophysical and geochemical responses associated with favourable geology. Further work should be directed in this area towards the definition of these anomalies as well as extending the grid

westwards along these lines. Line spacing should be reduced to at least 100 metre intervals (50 metres in places).

It appears the work by the previous joint venture partners was a very limited nature in the western two thirds of the claim. This area should be re-examined in more detail by geological, geophysical and geochemical surveys on a similar grid pattern and spacing as the original work in the eastern part of the claim.

A two phase mineral exploration programme is recommended for the RS-1 mineral claim.

B. Rea Gold Exploration Agreement

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The Company has entered into an Exploration Agreement dated December 30, 1986 with Rea Gold Corporation whereby the Company has been given the right to remove bulk ore samples from the Rea Gold Concession area for testing in order to determine the feasibility of processing and successfully marketing ore from the area.

The Rea Gold Concession area is a 9-Hectare area situated in the Kamloops Mining Division, British Columbia and contained within the HN-1, HN-3, HN-8, HN-9, HN-10 and Rea 1 and Rea 2 mineral claims. The Rea Gold Concession area is known to contain approximately 267,000 tons of commercial grade ore as computed by Steffen, Robertson & Kirsten (B.C.) Inc. in a report prepared for Sentinel Management Corporation for Rea Gold Corporation in April, 1986. The PC-MINE computer software system was used for this ore reserve evaluation. A total of 70 drillholes were loaded into the database, each hole having lithological data and assays for gold, silver, lead, zinc and copper.

A three dimensional block model was used to represent the deposit, with separate models constructed for geology, density and each of the five minerals. The model was located and oriented in such a position to cover the deposit including the 97+00 lens, 98+00 lens and 100+00 lens. An initial statistical and geostatistical analysis indicated that geostatistical orebody modelling would not be appropriate, therefore the grade models were interpolated using the inverse distance squared method.

Probable reserves were calculated by Steffen, Robertson and Kirsten (B.C.) Inc. for three separate gold cut-off grades of 0.05, 0.075 and 0.100 ounces per ton respectively. They are summarized as:

(a) probable reserves at 0.05 oz/ton gold cut-off

267 720 short tons at 0.190 oz/ton Au
2.145 oz/ton Ag
2.149 % Pb
2.247 % Zn
0.527 % Cu

(b) probable reserves at 0.075 oz/ton gold cut-off

229 220 short tons at 0.211 oz/ton Au
2.365 oz/ton Ag
2.365 % Pb
2.450 % Zn
0.586 % Cu

(c) probable reserves at 0.100 oz/ton gold cut-off

197 920 short tons at 0.231 oz/ton Au
2.481 oz/ton Ag
2.478 % Pb
2.608 % Zn
0.610 % Cu

Series of pits were generated for both the 97+00 lens and the 100+00 lens. The 98+00 lens was not considered due to its tonnage and depth. Preliminary pit tonnages indicate stripping ratios between 14 tons waste per ton of ore and 17 tons waste per ton of ore for the 97+00 lens depending on cut-off grade; and 27 tons waste per ton of ore and 50 tons waste per ton of ore for the 100+00 pit.

The Company proposes to obtain a bulk sample of up to 1000 tons, taking approximately one-third from the 100+00 lens and two-thirds from 97+00 lens. The bulk sample will be tested at Kamloops Research and other qualified laboratories, then transported to Danko Mines facilities at Keremeos, British Columbia. The Company has spent \$177,000. on the removal and testing of the bulk samples. The funds were provided through the Knights Exploration Agreement. See Item (C) below. The work to be carried out by the Company was to be completed before April 30, 1987. Results of the testing are expected at the end of June, 1987. The Company has earned the exclusive right to enter into a further Joint Venture Agreement to manage the processing of all ore found within the Rea Gold Concession area. Until such time as capital costs are recovered, the Company would receive 65% of net profit and Rea Gold Corporation 35%. After all capital costs are recovered, further net profits would be split 50/50 between the Company and Rea Gold Corporation.

C. Knight's Exploration Agreement

The Company has entered into an Exploration Agreement dated December 31, 1986, with Knight's Mineral Exploration and Company, Limited Partnership (the "Partnership"), a Partnership created for the purpose of investing in flow-through shares issued by junior resource companies.

The Agreement is intended to remain in force for each of five program years. The terms of the Agreement provide that the Partnership shall incur up to \$250,000.00 in Canadian exploration expenses in the initial program year on the following properties in which the Company has an interest:

- (1) the Rea Gold Concession area, Kamloops, B.C., contained within the HN and Rea mineral claims;
- (2) the MD mineral claims, Kamloops, B.C.; and
- (3) the G.M. mineral claims, Kamloops, B.C.

In return, the Company will issue 50 flow-through common shares and 50 warrants, at a value of \$1.00 per share and \$1.00 per warrant, for each \$100.00 exploration expenditures incurred by the Partnership. Each warrant entitles the Partnership to purchase one common share of the Company at a price at a price of \$0.01 on or before September 30, 1993. If the total amount of \$250,000.00 is expended in the initial program year, the Company will have purchased 1,250 preferred shares of KRS Retraction Ltd. at a price of \$100.00 for each preferred share. The Company's investment in the KRS preferred shares will be redeemed in full if the Company's shares trade at the price of \$1.20 or better for a period of 30 trading days at any time between the end of the mandatory hold period and June 30, 1992. As of April 12, 1987 the Company has issued a total of 88,568 shares to Knights Mineral Exploration and Company, Limited Partnership and has issued a warrant to Knights Mineral Exploration and Company, Limited Partnership providing for the purchases of up to 88,568 shares.

ITEM 2. FINANCIAL INFORMATION

As at February 28, 1987, the Company had a working capital of approximately \$28,000. The Company owns 10,000 common shares in the capital of P.M. Industries, Inc. with a book value of \$1,000.

ITEM 3. MATERIAL NATURAL RESOURCE PROPERTIES

See Item I and Item 9(A) for details of material resource properties.

ITEM 4. PARTICULARS OF NON-RESOURCE ASSETS

The Company does not own any non-resource assets.

ITEM 5. CORPORATE INFORMATION

The authorized capital of the Company consists of ten million (10,000,000) common shares without par value of which 2,931,520 are issued and outstanding as fully paid and non-assessable. Each common share of the Company entitles the holder thereof to receive notice of all meetings of shareholders and to one vote thereat. The holders of common shares are entitled to dividends as and when declared by the directors of the Company.

ITEM 6. DIRECTORS, OFFICERS, PROMOTERS AND PERSONS HOLDING MORE THAN 10% OF THE ISSUED EQUITY SHARES

The following are the directors of the Company:

<u>Name, Address and Position Held</u>	<u>Principal Occupation for Past Five Years</u>	<u>Shares Beneficially held</u>
ROBERT METCALFE 1695 Happyvale Ave. Kamloops, B.C. President and Director	General Contractor; Owner of Metcalfe Construction Ltd., Kamloops, B.C.	216,667 (escrowed)
KEITH A. WALLACE 500-275 Landsdowne St. Kamloops, B.C. Director	Self-employed Chartered Accountant in public practice in Kamloops, B.C. for the past 20 years	216,666 (escrowed)
RONALD D. HANDLEY Box 325 Kamloops, B.C. Director	Self-employed Oil and Gas Geothermal Drilling Consultant; formerly a Directional Drilling Supervisor for Eastman Woodstock Ltd; formerly a Driller for Westburn Drilling Ltd., Calgary, Alberta; formerly a Geothermal Technician for B.C. Hydro; formerly an Elementary Map and Science Teacher, Kamloops, B.C.	216,667 (escrowed)

CRAIG D. THOMAS Barrister and Solicitor NIL
563 Hadden Drive
West Vancouver, B.C.
Secretary

Craig D. Thomas is currently a director or officer of eight other reporting companies. The securities of one of these companies, Equus Petroleum Corporation, were the subject of a cease trading order while Craig D. Thomas was an officer.

Robert Metcalfe is currently a director and officer of one other reporting Company.

A list of the names of such companies is available for inspection at the Company's registered and records office at 400 - 815 West Hastings Street, Vancouver, British Columbia, during normal business hours.

By an agreement dated November 10, 1986, the Company secured the business management services of Arminco Management Ltd. ("Arminco") for the sum of \$2,000 per month, plus disbursements, commencing from November 1, 1986. Robert Metcalfe is the President and a director of Arminco. Arminco has agreed to provide to the Company the personal management services of Robert Metcalfe or such other person that is mutually acceptable.

There are no persons who own beneficially, directly or indirectly, more than 10% of the equity shares of the Company.

**ITEM 7. OPTIONS TO PURCHASE SECURITIES
OF THE COMPANY**

By agreement dated October 31, 1986, the Company granted incentive stock options to the following director and employees of the Company exercisable at a price of \$0.24 per share at any time on or before October 30, 1988:

<u>Name</u>	<u>Relationship to Company</u>	<u>Number of Shares</u>
Robert Metcalfe	Director	146,576
Keith A. Wallace	Employee	73,288
Ronald D. Handley	Employee	73,288

**ITEM 8. SECURITIES OF THE COMPANY HELD IN ESCROW,
IN POOL OR SUBJECT TO HOLD RESTRICTIONS**

As of the date hereof, 750,000 common shares are held in escrow by Guaranty Trust Company of Canada of 800 West Pender Street, Vancouver, British Columbia. Such shares may not be sold,

assigned, hypothecated, alienated, released from escrow, transferred within escrow or otherwise dealt with in any manner without the prior written consent of the Superintendent of Brokers or the Vancouver Stock Exchange.

In the event that the Company loses or alienates the property or asset for which it issued all or part of the escrowed shares, the Company or any shareholder thereof has the express obligation to declare such event or circumstance and the particulars thereof to the Vancouver Stock Exchange who may, at its discretion make such order or direction for the cancellation of all or any portion of the shares as it may deem advisable. The fact that the property or asset has been lost or alienated shall not, in itself, be cause for cancellation of all or part of the shares. The complete text of the Escrow Agreement is available for inspection at the Company's registered office, 400 - 815 West Hastings Street, Vancouver, British Columbia.

There are no shares of the Company held in pool or subject to hold restrictions.

ITEM 9. PARTICULARS OF ANY OTHER MATERIAL FACTS

A. (1) The Chavine Agreements

The Company entered into the following agreements dated July 24, 1986 and amended by agreements dated December 30, 1986:

- (a) Farm-In and Agency Agreement with Chavine Investments X Limited Partnership (the "Partnership") and William Campbell and George Butterworth (collectively the "Trustee");
- (b) Call Agreement with the Partnership;
- (c) Trust Agreement between the Company, the Partnership, Chavine Investments Ltd. (the "General Partner"), the limited partner of the Partnership and the Trustee.

Under the Farm-In and Agency Agreement, the Company agreed to act as the Partnership's agent to carry out an exploration program on the CBS 7591 mineral claim located in the Reindeer Mining Division, Saskatoon, Saskatchewan. Claude Resources Inc. had granted the Company an option to earn a 50% interest in the CBS 7591 mineral claim, however, the Company decided to abandon the claim. The Farm-In and Agency Agreement was therefore amended to substitute the Ella #1 mineral claim, Record No. 6811, located in the Kamloops Mining Division. (See Item 9 A(2))

Under the Trust Agreement, the Company established a trust of

\$140,000 which the Trustee lent to the Partnership to carry out the exploration program. A total of \$121,347 of the trust monies will qualify as Canadian Exploration Expenses ("CEE") for the purposes of the Income Tax Act of Canada. The Partnership repaid the loan through subscription proceeds (consisting of cash and promissory notes) received by the Partnership with respect to the issuance of Partnership units.

In consideration of the Partnership carrying out the exploration program, the Partnership earned a 10% interest in the Ella #1 mineral claim and a net smelter return royalty of 0.5% (the "Royalty"). The Company repurchased the interest on December 30, 1986 for the purchase price of \$72,808 by issuing to the Partnership 1,000 preferred shares in its wholly-owned subsidiary 311178 British Columbia Ltd. The subsidiary redeemed the preferred shares by endorsing to the Partnership a promissory note in the amount of \$72,808 issued by Westfair Foods Limited ("Westfair"), the limited partner, upon its subscription for units in the Partnership (the "Promissory Note").

Since not all of the trust monies qualified as CEE, the General Partner lent to the Company the sum of \$83,729 (consisting of \$10,921 in cash and the Promissory Note endorsed by the Partnership to the Company) to permit the Company to purchase from Westfair 1,213.47 Class "A" units in the Partnership (the "Westfair Units"). The Westfair Units will be held in escrow until an auditor's report certifying the amount of CEE incurred by the Partnership is accepted by Westfair. The Partnership will then be wound up and the Royalty will revert to the Company.

A.(2) The Ella Mineral Claim

By an agreement dated December 23, 1986 with Larry McGregor of P.O. Box 150, Kamloops, British Columbia, V2C 1Z3, the Company acquired a 100% interest in the Ella #1 mineral claim, Record Number 6811, located in the Kamloops Mining Division, British Columbia. The total consideration paid by the Company to Larry McGregor is the sum of \$7,500.00 which represented reimbursement of acquisition costs. The Ella mineral claim was staked by Larry McGregor on October 16, 1986. Although the Company subsequently dealt with the Ella mineral claim as referred to in Item 9.A(2), it will own a 100% interest in the claim once the auditors report referred to in Item 9 A. above certifying the amount of CEE incurred by the Partnership is accepted by Westfair.

A.(3) Shares for Debt Application

On May 19, 1987 the Company issued a news release disclosing its intended debt settlement of \$25,000. to creditors of the Company by the issuance of 78,125 shares of the Company at the price of

\$0.32 per share. The debt settlement by issuance of the above shares is subject to regulatory authorities approval. The Company will file the applicable documentation and apply for regulatory approval to the proposed debt settlement of \$25,000. in the near future. Regulatory approval to the proposed debt settlement is not being sought herein.

B. There are no lawsuits pending or in progress to which the Company is or is likely to be a party or of which any of its property is likely to be the subject.

C. Other than as disclosed in Item 9 A(1), 9 A(2) and 9 A(3) there are no transactions for which regulatory approval is not being sought under this Filing Statement.

D. There are no bonds, debentures, notes or other debt obligations outstanding.

E. There are no other material facts not previously disclosed herein.

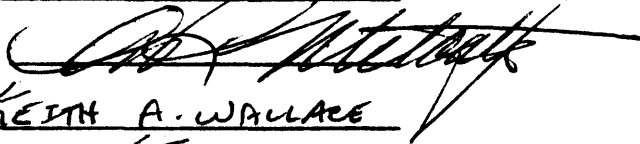
F. A list of names of such other reporting companies and all contracts and technical reports referred to in this Filing Statement may be inspected at the Company's registered office at 400-815 West Hastings Street, Vancouver, British Columbia, during normal business hours for the thirty day period after the Vancouver Stock Exchange publishes its notice regarding this Filing Statement.

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the company's affairs.

GLITTER GOLD MINES LTD.

NAME A. D. McVeighs.

SIGNATURE 

NAME KEITH A. WALLACE

SIGNATURE 

DATED at Vancouver, British Columbia, this 3rd day of June
 , 1987.

REA GOLD CORP.**ADAMS LAKE
"A CLOSELY
GUARDED SECRET"**

It is the time of year when some of us tend to long to return to a past time, especially if the past time was a pleasant time and, in view of the prevailing conditions of the junior resource market in Canada we did look back with nostalgia to this time last year and this place - Vancouver.

We recalled that the precious metals discovery at Adams Lake Plateau, near Kamloops, B.C. by Rea Gold Corporation had created a most welcome flurry of excitement both on the Vancouver Stock Exchange and in the junior resource community. Major mining companies were vying for the opportunity to place their offers of an option agreement before Rea Gold and the staking rush at Adams Lake was in full swing.

Corporation Falconbridge Copper was awarded an option on the property by Rea Gold and before the ink was dry on the agreements they had rushed two Longyear Super-38 drills onto the property and commenced drilling away, snow or ice not seeming an inhibiting factor, so great was the enthusiasm.

So great was the enthusiasm of brokers and investors as well that within a very short space of time Rea Gold's stock climbed to over \$5.00 on the V.S.E. The excitement was contagious and many people were infected, not only in the investment community but small businessmen, prospectors and individuals in and about the city of Kamloops were looking forward with eagerness to the results of the drilling, for a more basic reason - survival, in a severely depressed economy.

Adams Lake was hot. Staking crews were being rushed in by the local junior resource companies and were bumping in-



Larry W. Reaugh, President

to the crews of the Majors. What claims the Juniors beat the Majors to, the Majors decided to negotiate on with the Juniors only there were a few choice pieces that the Juniors would not come to terms on. Then the game of hardball began.

In early December Corporation Falcon-

bridge Copper issued a unilateral press release on partial drill assay results which was less than encouraging and the game began in earnest. Rea Gold was up to bat.

CFC continued drilling, however, it was not until early spring of 1984 that additional drill assay results were available. Rea Gold issued a Release reporting that CFC had proven up 150,000 tons grading 0.43 oz./ton gold, 3.5 oz./ton silver, 0.7% copper, 3.6% zinc and 3.1% lead. After completing 29 diamond drill holes CFC shut down the drilling and commenced their geological, geophysical and geochemical groundwork. By this time, of course, Adams Lake was cool. But that is the way the game is played it seems.

And that was this time last year. Adams Lake at this time may still be cool but we suspect simmering quietly beneath its mantle of snow, it overall potential a closely guarded secret.

There is one interesting aspect of the story. We find the Juniors can play hardball too.

**Teck Corporation
Invests in New Mine**

Teck Corporation recently agreed that it would spend \$1 million in 1985 on an old mining property near Stewart, B.C.

The property is located five km. south of Stewart and had produced 2.3 million ounces of silver prior to being shut down as a working mine in 1931.

Calgary based Pacific Cassiar Ltd. bought the property in 1951 and has done about \$1.3 million in exploration work on the site since 1980.

It is estimated there are reserves of about 910,000 tons grading 20 ounces of silver per ton. The management of Pacific Cassiar Ltd. conceded that it wouldn't be economical to start up the mine at this point, but the silver price jumping from its present \$6.50 US, an ounce range to \$8-10 would justify production.

TUGOLD RESOURCES INC.**PROVEN GOLD REMAINS IN VIDETTE MINE****THE COMPANY**

Tugold Resources Inc. was incorporated January 6th, 1984, and anticipates trading on the Vancouver Stock Exchange early 1985, after completion of an amalgamation with Stefan Resources Inc.

The Directors and Senior Officers of the Company represent a wide variety of backgrounds including mining, metallurgy, mineral exploration and management.

The Company currently has the rights to the Vidette Mine, a former gold producer and the "Comin' Throu Bear" Property, a silver-lead-zinc prospect located near Likely, B.C. As well, it has acquired the rights to an additional gold prospect located in the Hudson Bay Mountain near Smithers, B.C.

Plans are currently underway to raise financing, through a public underwriting, in order to carry out an extensive underground and surface exploration program at the Vidette Minesite.

PROPERTIES

1. Vidette-The Vidette is located approximately 50 km north of Savona, British Columbia. During the 1930's, it produced 29,000 ounces of gold and 46,000 ounces of silver from 54,000 tons of ore before it was forced to close in 1940 due to a lack of available war-time development capital.

Engineering studies have indicated that 6,300 ounces of gold remain proven in the mine and that significant potential remains below the current level of workings which extend only 500 feet below the surface. The precious metals occur in 5 quartz-vein structures which in turn are hosted in Triassic-Jurassic Nicola Volcanics. The veins tend to be narrow although of significant grade. The "Broken Ridge Vein", for example, averaged 48 grams (1.6 ounces) of gold over an average vein width of 33 cm. Reports indicate that ore was of good tenor at the lowest level of the workings although tended to be complicated by faulting.

Extensive field work this past season has defined 3 diamond-drilling targets on Tugold held claims adjacent to the mine. The targets indicate strong VLF-EM anomalies enhanced by gold-silver geochemical anomalies.

Beginning in early 1985, the Company plans to dewater the workings at Vidette and to commence an underground diamond-drilling program in order to prove additional reserves. It is intended that surface diamond-drilling of defined targets will take place in the spring of 1985. Given the data gathered thus far, it would appear that the project has potential to be a small tonnage mining operation.

2. Comin' Throu Bear-The "Comin' Throu Bear" Property was originally staked in 1979 to cover an area of anomalous zinc stream sediments around Black Stuart Mountain near Likely, B.C.

A subsequent option to Teck Explorations resulted in the discovery of stratiform lead-zinc-silver mineralization located near the top of the Mural Limestone Formation. Drilling on the property proved to be inconclusive, due in part to problems caused by solution cavities in dolostone and the property has sat idle since that time.

Management of the Company feels that the property has considerable potential and plans trenching and further diamond-drilling over the next couple of field seasons.

RECENT DEVELOPMENTS

Tugold plans to take a joint venture or an equity position with Mary Creek Resource Corp., a new mining company with plans to become publicly-listed on the Vancouver Stock Exchange.

Mary Creek has the rights to a gold prospect and to 16 placer leases east of Quesnel, B.C. The leases were staked based on research and fieldwork by a surficial geologist who has spent a number of years working in the area and have been placed to cover postulated auriferous Tertiary channel gravels. While testing has been limited, results have been positive and given the potential for large yardage, additional testing seems warranted.

The hardrock claims were staked to cover an area believed to be underlain by a volcanic source of some of the placer gold in the area. Recent road-building has uncovered a highly altered intermediate to felsic volcanic pile of probable Tertiary age. Samples assayed ran up to 1950 ppb or 0.062 ounce/ton gold and 1875 ppb or 0.060 ounce/ton silver. Further work on the property is anticipated this winter with a primary underwriting commencing in the spring.

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FOR FURTHER INFORMATION AND
PROMPT ACTION CONTACT:

RINO ELVERHOY
ECONOMIC DEVELOPMENT OFFICER
THOMPSON-NICOLA REGIONAL DISTRICT
2078 FALCON ROAD
KAMLOOPS, B.C. V2C 4J2
TEL: (604) 372-8336

SID SPARGO
MANAGER, ECONOMIC DEVELOPMENT
CITY OF KAMLOOPS
7 VICTORIA STREET WEST
KAMLOOPS, B.C. V2C 1A2
TEL: (604) 374-3311



RESOURCES INC.
(SOON TO BE LISTED ON THE VSE)

SUITE 208-156 VICTORIA ST.
KAMLOOPS, B.C. V2C 1Z7

TELEPHONE
(604) 372-3225



REA GOLD CORPORATION
TICKER SYMBOLS REO.V, REO.T, NASDAQ-REOGF

November 18 1987

P R E S S R E L E A S E

**UNDERGROUND EXPLORATION UNDERWAY ON REA GOLD'S
100% OWNED CONCESSION ZONE, ADAMS LAKE, B.C.**

Mr. Larry W. Reaugh, President of Rea Gold Corporation ("Rea Gold"), is pleased to announce that a level adit has been started for the underground exploration of the gold-bearing L98 massive sulphide lens on the Rea Gold Concession Zone, Adams Lake, B.C.

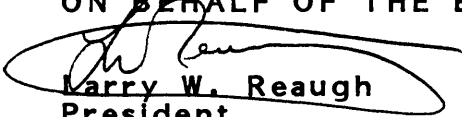
The underground exploration program will provide access to the drill indicated mineralization of the L98 lens, currently estimated to contain 147,210 tons grading 0.158 oz/ton gold, 1.785 oz/ton silver, 2.389% lead, 2.480% zinc and 0.693% copper at a cut-off grade of 0.05 oz/ton gold. A total of 1,600 feet of underground workings including the adit, two raises and sublevel drifting, will provide engineering, reserve, grade and metallurgical information at a cost of approximately two million (\$2,000,000) dollars.

Minorex Consulting Ltd is the project contractor on behalf of Rea Gold. The principal subcontractors include: Rocbore (1980) Limited (J.S. Redpath Limited) - Underground Work, Dolmage Campbell & Associates (1975) Ltd. - Geological Engineering, and Knight & Piesold Ltd. - Civil Engineering.

The Rea Gold Concession Zone is 100 percent owned by Rea Gold. It contains an estimated 266,200 tons of drill indicated reserves between three massive sulphide lens at an average grade of 0.19 oz/ton gold, 2.14 oz/ton silver, 2.149% lead, 2.247% zinc and 0.527% copper. A bulk sample of the sulphide mineralization will be used for on-going metallurgical studies to confirm the 90% gold and 80% silver recoveries reported by chemical processes.

The Samatosum high grade silver deposit is located approximately three quarters of a mile northeast of the Rea Gold Concession Zone. This deposit has reported drill indicated reserves of 661,000 tons averaging 32.08 oz/ton silver, .052 oz/ton gold, 3.50% zinc, 1.70% lead and 1.20% copper.

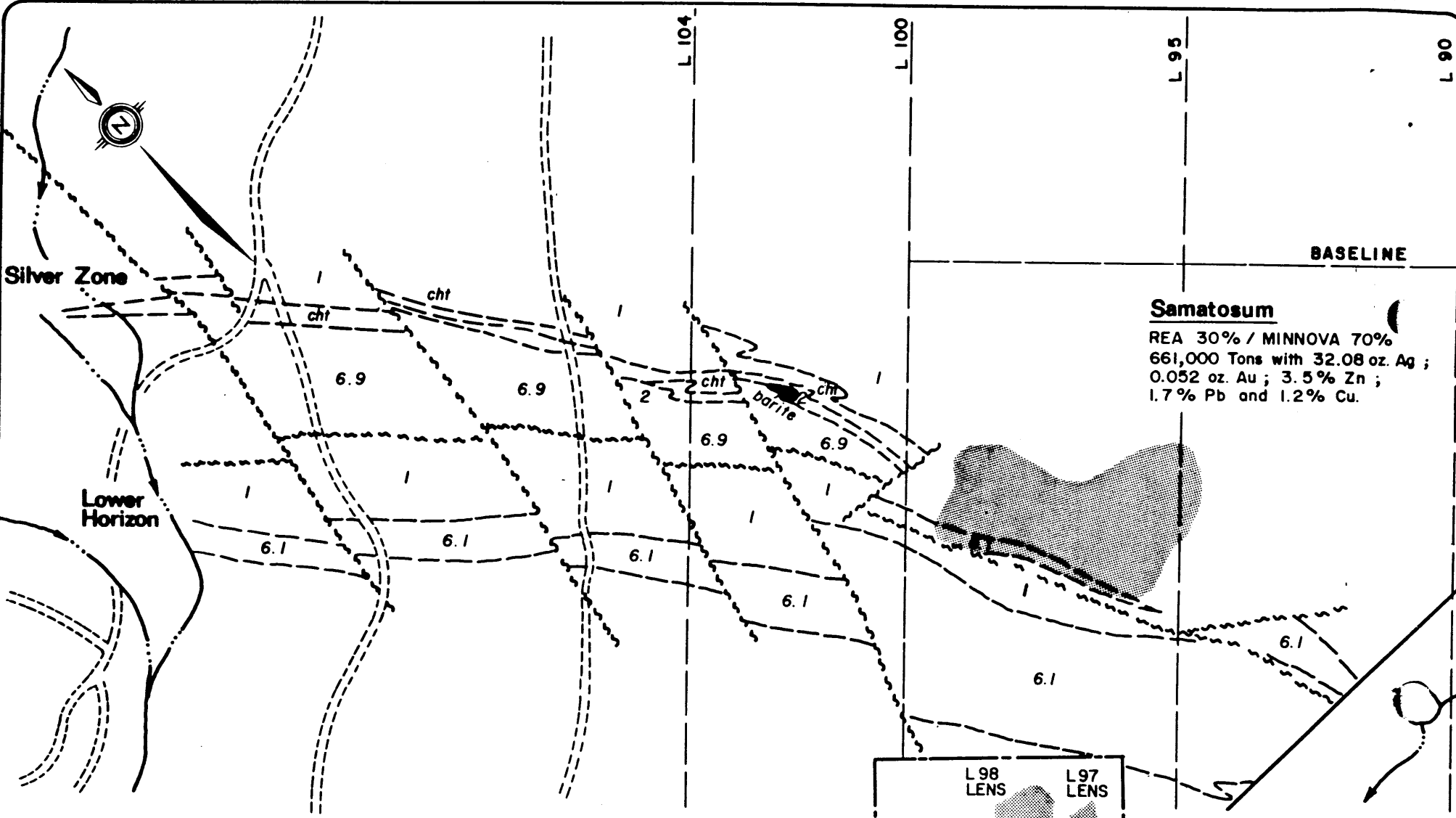
ON BEHALF OF THE BOARD



Larry W. Reaugh
President

The Vancouver Stock Exchange has neither approved nor disapproved the information contained herein.

P.O. Box 12137, Nelson Square, 808 Nelson Street,
Vancouver, British Columbia, Canada. V6Z 2H2
Telephone: (604) 684-7527 Fax: 684-4428



Samatosum

REA 30% / MINNOVA 70%
 661,000 Tons with 32.08 oz. Ag ;
 0.052 oz. Au ; 3.5% Zn ;
 1.7% Pb and 1.2% Cu.

Discovery Zone

REA 100%
 226,200 Tons with 0.19oz. Au ;
 2.14 oz. Ag ; 2.25% Zn ;
 2.14% Pb and 0.57% Cu.

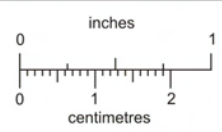
L 98 LENS L 97 LENS
Rea Gold Concession

LEGEND

- 1. mafic volcanics
 - 2. intermediate volcanics
 - 3. felsic volcanics
 - 4. mafic intrusion
 - 5. felsic intrusion
 - 6. sediment
- 6.1 chert, ribbon chert
chert breccia
- 6.9 coarse wackes ± grits,
± sandstones

REA GOLD CORPORATION
ADAMS LAKE PROPERTY

—Scale 1:10,000—



This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.

REA GOLD CORPORATION(REQ-V,T;REGE-Nasdaq)

UNDERGROUND WORK STARTS ON - Larry W. Reaugh, president
A PROPERTY AT ADAMS LAKE of Rea Gold Corporation,
GCNL announces the start of a
level of adit for underground exploration of the gold-
bearing L98 massive sulphide lens on their wholly-owned
Concession zone in the Adams Lake area, some 30 miles NE
of Kamloops, B.C. *82M191*

The underground work is designed to provide access
to drill indicated mineralization in the L98 lens,
currently estimated to be 147,210 tons grading 0.158
oz.gold/t., 1.785 oz.silver/t, 2.389% lead, 2.48% zinc
and 0.693% copper at a cut-off grade of 0.05 oz.gold/t.
A total of 1,600 feet of underground workings, including
the adit, raises and sublevel drifting, will provide
engineering, reserve grade and metallurgical information
at a cost of some \$2,000,000. *NOV 23/87*

Minorex Consulting Ltd. is project contractor. The
principal subcontractors include: Rocbore (1980) Ltd.
(J.S. Redpath Limited) for the underground work, Dolmage
Campbell & Associates (1975) Ltd. for the geological
engineering, and Knight & Piesold Ltd. for the civic
engineering. *#1224*

The Concession zone contains an estimated 266,200
tons of drill indicated reserves between 3 massive
sulphide lenses at an average grade of 0.19 oz.gold/t,
2.14 oz.silver/t, 2.149% lead, 2.247% zinc and 0.527%
copper. A bulk sample of the sulphide mineralization
will be used for on-going metallurgical studies to
confirm the 90% gold and 80% silver recoveries reported
by chemical processes.

About three quarters of a mile NE of the Concession
zone, the Samatosum high grade silver deposit is
located. This deposit is reported to have drill
indicated reserves of 661,000 tons averaging 32.08
oz.silver/t, 0.052 oz.gold/t, 3.50% zinc, 1.70% lead and
1.20% copper.

REA GOLD CORPORATION(RE)-V,T; REGF-Nasdaq)

FEASIBILITY STUDY UNDERWAY - Minnova Inc. has informed
NEW DRILL HOLE ASSAYS Rea Gold Corporation of
GCNL partial results of diamond
drilling on the high grade Samatosum silver deposit
located 60 kilometers northeast of Kamloops, B.C.
Results have filled in wide areas within the deposit and
extended the mineralization to the north and south.
Results shown overleaf include a 26.2-foot interval in
Hole RG-184 that assayed 97.88 ounces of silver per ton,
0.133 oz.gold/t, 5.75% zinc, 3.53% lead and 3.81% copper.

Environmental, mineralogical, metallurgical and
engineering studies are well underway for the feasibility
study on placing the deposit of 661,000 tons grading
32.08 oz.silver/t, 0.052 oz.gold/t, 3.50% zinc, 1.70%
lead and 1.20% copper into production. *82M191*

Rea Gold has a 30% working interest plus a 5% net
smelter return royalty on this portion of the property
while Minnova has a 70% working interest and is
operator. (SEE GCNL NO.116, JUNE 17, 1987 for much
detail.) *NOV 25/87 #26*

Rea Gold Corporation **REQ**
Shares issued: 8,385,718 Nov 20 close: \$2.95
News Release

Mr Larry Reaugh reports: *SW*

A level adit has been started for the underground
exploration of the gold-bearing L98 massive
sulphide lens on the Rea Gold Concession zone,
Adams Lake, BC. *NOV 23/87*

The underground exploration program will
provide access to the drill indicated
mineralization of the L98 lens, currently
estimated to contain 147,210 tons grading 0.158
oz/ton gold, 1.785 oz/ton silver, 2.389% lead,
2.480% zinc and 0.693% copper at a cut-off
grade of 0.05 oz/ton gold. A total of 1,600 feet of
underground workings including the adit, two
raises and sublevel drifting, will provide
engineering, reserve, grade and metallurgical
information at a cost of approximately two
million dollars. *82M191*

The Rea Gold Concession zone is 100 percent
owned by Rea Gold. It contains an estimated
266,200 tons of drill indicated reserves between
three massive sulphide lens at an average grade
of 0.19 oz/ton gold, 2.14 oz/ton silver, 2.149%
lead, 2.247% zinc and 0.527% copper. A bulk
sample of the sulphide mineralization will be
used for on-going metallurgical studies to
confirm the 90% gold and 80% silver recoveries
reported by chemical process.

The Samatosum high grade silver deposit is
located approximately three quarters of a mile
northeast of the Rea Gold Concession zone. This
deposit has reported drill indicated reserves of
661,000 tons averaging 32.08 oz/ton silver, .052
oz/ton gold, 3.50% zinc, 1.70% lead and 1.20%
copper.

Rex Silver Mines Ltd **REX**
Shares issued: 3,497,504 Nov 20 close: \$2.13
News Release

NOV 23/87
Mr David Melvin reports: *SW*

The company has entered into an agreement
with D.K. Platinum Corporation. Under terms of
the agreement, D.K. can earn a 50% working
interest in Rex's Rice property near Greenwood,
BC by spending \$100,000 on the property over
the next three years.

The Rice property is located within the old Camp
McKinney gold district. According to
government reports, about 2,500,000gms of gold
and 1,000,000gms of silver were produced from
this district.

A work program comprising sampling and
geological mapping has been started to delineate
drill targets. *82M191*

D.K. Platinum Corporation is a natural resource
company engaged in the acquisition, exploration
and development of mineral properties.

The company has agreed to a private placement
subscription for 285,715 common shares at a
purchase price of \$1.75 per share for aggregate
proceeds of \$500,000. The company has also
agreed to issue a warrant to purchase a further
285,715 common shares at an exercise price of
\$2.00 per share exercisable for a period of 12
months from the date of completion of the
private placement.

No finder's fees or commissions have been paid
with respect to this private placement.



GCNL - 62M191 - NOV 25/87 # 26

Hole No.	Interval Meters	True Width		Confirmed Assay Results				
		Meters	Feet	Ag oz/T	Au oz/T	Zn%	Pb%	Cu%
RG-142	206.2 - 208.6	2.4	7.9	5.66	.020	9.74	5.72	0.94
RG-147	85.5 - 88.5	3.0	9.8	4.14	.024	0.83	1.01	0.57
RG-148	248.0 - 249.5	1.5	4.9	1.34	.006	3.94	2.44	0.15
RG-150	70.5 - 75.0	4.5	14.8	4.72	.010	0.22	0.23	0.22
	76.5 - 78.0	1.5	4.9	10.79	.052	0.24	1.04	0.64
	81.0 - 82.0	1.0	3.3	31.50	.043	0.28	0.60	1.69
RG-151	171.6 - 173.1	1.5	4.9	45.21	.053	4.70	2.24	1.38
RG-152	69.8 - 71.8	2.0	6.6	13.94	.032	0.96	0.37	0.84
RG-153	73.9 - 75.0	1.1	3.4	10.21	.025	2.91	1.67	0.99
	83.5 - 84.6	1.1	3.4	4.87	.029	0.99	0.68	0.54
RG-154	195.7 - 197.9	2.2	6.8	10.79	.015	0.49	0.23	0.44
RG-155	31.9 - 32.8	0.9	3.0	11.32	.028	0.74	3.32	0.37
RG-162	171.7 - 173.2	1.5	4.9	58.33	.101	1.82	0.69	1.89
RG-181	50.6 - 51.6	1.0	3.3	51.33	.128	6.45	3.52	2.40
	53.6 - 54.1	0.5	1.6	15.63	.130	2.28	1.18	0.43
	62.1 - 63.6	1.5	4.9	21.58	.067	0.12	0.74	0.86
RG-184	54.2 - 62.2	8.0	26.2	97.88	.133	5.75	3.53	3.81
	68.2 - 71.2	3.0	9.8	11.61	.022	2.04	1.17	0.86
RG-193	7.7 - 12.0	4.3	14.1	70.00	.125	21.80	14.50	2.72
RG-194	9.2 - 11.7	2.5	8.2	34.53	.036	6.61	7.9	0.80

The Northern Miner

Founded 1915

Aug. 17, 1987

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N.M.

Silver project a boon to Rea Gold

As suggested in a recent review by Dean Witter Reynolds Canada Inc. there are many good reasons for investing in Rea Gold Corp., but first among them is the company's 30% interest in a high grade silver property in British Columbia.

Located 28 miles northeast of Kamloops, the 6,000-ac Samatosum mine will be the lowest cost silver producer in North America (and one of the lowest cost producers in the world) when production begins in late 1988.

At the end of 1986 reserves at the mine stood at 739,000 tons grading 0.04 oz gold per ton, 20.9 oz silver, 0.95% copper, 2.43% lead and 2.08% zinc.

In partnership with Minnova Inc., (formerly Falconbridge Copper), Vancouver-based Rea Gold has been attempting to fully delineate the orebody since Minnova encountered a new high grade zone there in late 1985.

Since then, drilling has dramatically increased those reserves but Minnova is not releasing the latest results until later this month.

In the Witter report by analyst Gordon Bub, total mineable reserves (assuming 20% dilution) are estimated at 970,000 tons grading 27.2 oz silver, 0.038 oz gold, 1% copper, 1.45% lead and 2.78% zinc.

According to Mr Bub, these reserves can sustain the mine for approximately 6½ years at an estimated mill rate of 500 tpd during the open pit phase and 400 tpd during the underground phase.

Capital costs

At these milling rates, the report estimates open pit production at 6,111 oz silver and 9,845 oz zinc by 1990. When the operation goes underground, annual production will drop to 2,646 oz silver and 4,725 oz zinc.

Mr Bub said unit costs per oz of silver produced are estimated at 30¢ per oz during the first two years of open pit mining, increasing to \$3.00 per oz when underground mining commences.

Capital costs are estimated to be in the area of \$20 million with Rea Gold contributing \$6 million.

Minnova can earn a 100% interest in the property, subject to a 5% net smelter royalty, by spending \$930,000 before Nov 4, 1988, preparing a feasibility study and paying Rea \$50,000 upon notification that it intends to place the property into production.

Rea will earn its 30% undivided interest by contributing 30% of the capital costs or convert its working interest into a 12.5% net proceeds of production interest.

"In our opinion, Rea will elect to back in for a 30% undivided interest," said Mr Bub, who regards the company as well financed.

Rea Gold recently raised \$4,750,000 through a private placement of one million units consisting of one common share plus one share purchase warrant.

"The funds from this placement together with exercise of the warrants will be more than sufficient to cover Rea Gold's share of the capital costs required to place the mine into production," said Mr Bub.

Zinc-lead project

The company also raised \$2.8 million through a recent flow-through issue to fund some of its other properties. They include a 50% interest in a zinc-lead silver project located 29 miles northeast of Clearwater, B.C. where a 14,000-ft diamond drill program is under way. Reserves are estimated at 1,643,000 tons averaging 8.6% zinc, 1.4% lead and 0.25 oz silver per ton.

Rea also has a 50% interest in nine mineral claims in the Similkameen area of B.C. and a 50% interest in 9-claim gold property in the Vancouver Mining Division, B.C.

According to Mr Bub, Rea Gold shares are significantly undervalued in relation to other TSE-listed silver producers like Equity Silver Mines and United Keno Hill Mines which are trading at 38.3 and 20.6 times Witter's earnings per share estimates at a silver price of \$7.50(US) per oz. (At presstime, silver stood at \$7.82.)

"If similar multiples were applied to Rea Gold's estimated earnings per share for the first full year of operation (1989), the issue should be priced at between \$22.66 and \$42.13," he said.

Rea Gold shares were trading recently on the Toronto Stock Exchange at \$8.25, just below its 52-week high of \$9 but well above its 50¢ low point.

However, Mr Bub's upside price target is a minimum of \$11 to \$12 under existing market conditions. Based on gold and silver prices of \$425(US) and \$7.50 respectively, he sees earnings per share of \$1.12 in 1989 dropping to 48¢ after 1991.

Adit for access on Rea Gold bet at Adams Lake

VANCOUVER — An adit is being driven into the L98 massive sulphide lens at Rea Gold Corp.'s concession zone in the Adams Lake area of British Columbia. President Larry Reaugh says the \$2-million exploration program will provide access to an estimated 147,210 tons of reserves grading 0.158 oz gold, 1.8 oz silver, 2.4% lead, 2.4% zinc and 0.69% copper. *Nov 30/87*

The 1,600 ft of underground development, which will include the adit, two raises and some sub-level drifting, will provide information for mine engineering studies, reserve estimation and metallurgical test purposes, he says. *N.M.*

The company has a 100% interest in the concession which contains approximately 266,200 tons of drill-indicated reserves between three massive sulphides lenses at an average grade of 0.19 oz gold, 2.14 oz silver, 2.2% lead, 2.2% zinc and 0.5% copper. The material is highly refractory and would no doubt require some specialized recovery process. Reaugh says that 90% recoveries for gold and 80% for silver have been "reported by chemical processes." *82M191*

The relatively clean Samatsum silver deposit is located approximately three-quarters of a mile from the Rea concession zone. This deposit has drill-indicated reserves of 661,000 tons averaging 32.1 oz silver, 0.052 oz gold, 3.5% zinc, 1.7% lead and 1.2% copper. Recent drilling by Minnova Inc., operator for the project, filled in wide areas within the deposit and extended mineralization to the north and south. Environmental, mineralogical, metallurgical and engineering studies are under way prior to a full feasibility study.

The Northern Miner

Vol. 73 No. 14 June 15, 1987

N.M. Vol. 73, # 14, June 87

*Polymetallic discovery in B.C. fires industry's imagination

VANCOUVER — At long last polymetallics are getting some respect — even if the primary metal credit is silver. Indeed, the massive sulphide discovery by Minnova Inc. (N.M. June 8, 1987) on the Adams Lake property of Rea Gold near Kamloops, B.C., has captured the industry's imagination.

Not since the Estrades discovery in northwestern Quebec has a polymetallic mineral find generated so much attention. And the economics of the situation appear to be highly favorable because it's close to surface and a large portion

of the deposit would be open pitable.

The impact on Rea Gold's share price has been dramatic. In the past week, the stock has climbed over \$4 in Vancouver where at press time it was trading at \$6.75. But most of the heavy buying has been coming out of Toronto. Local mining analysts say the Adams Plateau discovery is anomalous in several respects, including grade, and the fact it's not located in Toronto's back yard.

Alex Davidson, Minnova's exploration manager for western Canada, confirms that drills are still operating on the property but they have moved out of the high grade zone. The 6,000 m drill program started in early May and should last for another few weeks, he predicts. The zone has been drilled to 175 m down dip and he says it "seems to have a finite dip extent," but he cautions that additional drilling could change this.

The high grade discovery has been traced for approximately 400 m along strike but the favorable horizon with enhanced silver values extends for a few kilometres, he admits. Widths vary from 0.4 to 7.5 m and the primary minerals are galena, tetrahedrite and sphalerite, but no significant amounts of arsenopyrite.

He says the massive sulphide

horizon appears to have undergone a lot of remobilization noting it lies at a mafic volcanic, sedimentary contact with quartz veining piercing the contact at an oblique angle.

Rea Gold released additional results from another three holes at press time, two of which extended the zone 100 ft up dip and 120 ft along strike to the north of the high grade mineralization. Mr Davidson

says the elevation is getting higher as the drill rigs move up the hill near the discovery zone.

The latest three holes included some of the most spectacular results reported so far including 10.2 ft of 407.2 oz silver per ton and 0.34 oz gold in hole No 108. The base metal values were also impressive and included 19.5% zinc, 9.4% lead and 6.3% copper. Hole No 107 encountered 5.75 ft grading 75.85

oz silver and 0.084 oz gold with 37% zinc, 4% lead and 4% copper. In hole 109, an 8.25 ft intercept returned 71.8 oz silver with 0.074 oz gold and moderate base metal values. A second intercept in that hole averaged 19.8 oz silver, 0.038 oz gold with associated base metal values that were also respectable.

Mr Davidson says that preliminary metallurgical test work has been completed and the results suggest a fine grind will be required and differential flotation. The property is accessible by car from Kamloops and there is good infrastructure in the region which will certainly improve the economics of the property.

Mining Association of Canada member companies account for the vast majority of Canada's output of metals and industrial minerals.

The Canadian mining industry plays a major role in research and development of new technology to enhance its competitive position in the world.

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GCNL 133 82M191

REA GOLD CORPORATION (REG-V, T)

July 13/87

HOLE NO.	INTERVAL METERS	TRUE WIDTH		SILVER GOLD		ZINC	LEAD	COPPER
		METERS	FEET	OZ/T	OZ/T			
118	171.0-174.0	2.8	9'12"	4.63	.006	1.69	1.53	0.49
119	238.6-240.1	1.5	4'11"	1.52	.005	1.52	1.05	0.108
	254.5-255.5	1.0	3'3"	0.87	.008	2.36	0.76	0.147
121	164.3-165.8	1.4	4'7"	3.50	.006	1.08	0.82	0.56
122	236.4-246.6	10.1	33'1"	30.57	.059	2.31	1.28	1.26
123	110.9-111.4	0.4	1'4"	34.85	.059	4.52	2.27	0.99
126	47.9- 48.2	0.25	10"	49.29	.135	3.34	1.63	1.32
128	22.6- 24.4	1.3	4'3"	16.06	.023	1.62	1.13	0.75
130	185.2-185.7	0.5	1'7"	46.67	.065	2.52	25.20	4.82
	194.6-199.3	4.4	14'5"	13.31	.036	2.03	0.95	0.71
131	62.6- 64.6	2.0	6'6"	9.04	.019	0.08	0.20	0.32
132	191.6-203.0	11.2	36'8"	8.94	.016	0.86	0.41	0.45
133	168.3-173.8	5.2	17'0"	6.50	.067	0.32	0.29	0.21
	includes	1.4	4'7"	19.25	.057	0.52	0.64	0.61
135	192.8-195.4	2.45	8'0"	0.58	.003	4.13	2.70	0.206
	235.5-241.5	5.6	18'4"	trace	.120	trace	trace	trace
136	51.5- 62.4	10.7	35'0"	18.39	.041	1.51	1.59	0.66
137	49.0- 60.7	11.3	37'0"	52.44	.081	3.55	1.69	1.53

DRILL ASSAYS INCLUDE ONE OF - Larry N. Reaugh, president
52 OZ. SILVER/T ACROSS 37 FT. of Rea Gold Corporation.

presents assay results received from Minnova Inc. (formerly Corporation Falconbridge Copper) on the remaining 20 holes of the 20,000-foot drilling program on the Adams Lake joint venture property 30 miles NE of Kamloops, B.C. Hole No. 137 in a high grade silver zone returned 52 ounces of silver per ton over a true width of 37 feet. Hole No. 122 is located 600 feet south of Hole 137 and averaged 30.6 oz. silver/t over a true width of 33 feet. The total strike length of the presently known mineralization, 1,800 feet, averages 450 feet down-dip and 13 feet wide. See longitudinal section overleaf. Holes 120, 124, 125, 129 and 134 returned no significant assays.

For much background information, see GCNL116(87)n.1.

GENL 118
82M191
CANOVA RESOURCES LTD. (CFD-V)
WELL LOCATED CLAIMS OPTIONED - Canova has optioned a 100% IN REA GOLD DISCOVERY AREA interest, subject to a 10% net profit royalty, in 64 claim units in the Adams Lake area, near Kamloops, B.C., exercisable by completing \$175,000 in exploration and issuing up to 200,000 common shares. A zinc mineral occurrence on the property reported by the Geological Survey of Canada was tested in 1982 by a 1,000 foot diamond drill hole which successfully tested and proved the down-dip extension of this sphalerite bearing quartz layer for a distance of about 300 feet. An exploration program is planned for these claims. (See location map GCNL No. 117, June 18, 1987).

GENL 116
82M191
JUNE 19/87

GENL 116 JUNE 17/87
82M191 82M14

ASSAY RESULTS REPORTED MAY 6, 1987

89	48.15- 59.8	11.65 (33'- 2")	41.63	0.065	2.85	1.33	1.10	50.67 OZ/TOM
	*48.15- 52.15	4.00 (13'- 2")	102.00	.140	4.89	2.26	2.70	
90	98.37-102.11	3.74 (12'- 3")	56.27	.090	2.64	1.13	1.71	67.36
	*99.10-102.11	3.01 (9'-11")	68.70	.106	2.60	0.93	2.10	
93 **	113.80-114.45	0.50 (1'- 8")	4.55	.016	1.09	0.87	0.85	8.47
	114.90-115.2	0.25 (-10")	3.50	.022	3.41	1.76	0.80	10.64
95 **	129.00-130.00	1.00 (3'- 3")	10.03	.012	3.03	1.80	1.60	17.48
96 **	13.80- 15.20	1.40 (4'-7")	43.49	.041	1.71	0.01	1.74	50.29
97	16.97- 21.17	3.95 (13'-0")	34.77	.036	25.50	0.83	4.61	69.77
98	42.80- 48.20	5.40 (17'-8")	79.92	.144	1.96	1.65	2.63	95.20
99	71.00- 77.80	6.70 (22'-4")	36.87	.062	3.46	2.23	1.73	47.98

ASSAY RESULTS REPORTED JUNE 4, 1987

100	46.00- 52.50	5.60 (18'-4")	28.50	.037	3.36	1.87	1.34	\$37.88
	46.00- 50.2	3.60 (11'-9")	40.98	.053	4.31	2.44	1.70	53.33
101	139.82-140.02	0.36 (1'-2")	18.29	.007	3.53	2.49	2.30	28.23
102	74.50- 82.1	7.5 (24'-7")	90.24	.087	2.21	1.20	2.30	102.59
	75.30- 82.1	6.7 (21'-11")	100.00	.096	2.41	1.30	2.52	113.55
104	56.20- 58.7	2.4 (7'-10")	8.63	.063	0.82	0.39	0.30	13.99
	76.50- 80.9	3.9 (12'-9")	9.45	.018	3.36	2.34	0.49	16.54
105	62.4- 77.1	10.4 (34'-1")	10.67	.024	3.63	2.23	0.43	18.21
106	120.3-122.8	2.4 (7'-10")	51.94	.074	1.51	0.34	1.44	60.66

ASSAY RESULTS REPORTED JUNE 10, 1987

107	21.5-23.5	1.75 (5'- 9")	75.85	0.084	37.40%	4.12%	4.18%	
108	35.7-39.0	3.10 (10'- 3")	407.18	.340	19.56	9.43	6.34	
109	123.4-125.9	2.5 (8'- 3")	71.76	.074	4.23	1.50	2.38	
Plus	131.1-135.2	4.1 (13'- 6")	19.81	.038	2.25	1.55	0.78	

These results confirm and extend the spectacular values in Trenches 3, 4 and 5 and in Holes 71, 89 and 90 previously reported as follows:

71	104.25-108.45	4.20 (13'- 9")	28.80	0.037	5.03	3.72	1.07	39.96
T3	Surface	3.10 (10'- 2")	83.28	.130	3.30	17.80	1.84	108.40
T4	Surface	0.85 (2'-10")	255.25	.324	1.37	24.98	4.22	297.81
T5	Surface	4.80 (15'- 9")	79.75	.048	0.82	8.65	1.75	91.78

GCNL 116

June 17/87



REA GOLD CORPORATION (REO-V, T:REOGF-Nasdaq)

HOLE (RG#)	INTERVAL METERS	TRUE WIDTH METERS FEET	SILVER OZ/TON	GOLD OZ/TON	ZINC %	LEAD %	COPPER %	TOTAL SILVER EQUIVALENT
ASSAY RESULTS REPORTED IN JUNE 15, 1987								
110	41.40- 43.80	1.7 (5'- 7")	5.99	0.024	1.24	0.52	0.50	
111	59.10- 70.40	9.8 (32'- 1")	17.48	.026	1.10	0.39	0.64	
112	144.40-151.90	7.4 (24'- 3")	31.00	.042	2.16	1.06	1.01	
	154.90-156.10	1.2 (3'-11")	6.11	.018	3.79	2.12	0.17	
	157.60-159.10	1.5 (4'-11")	5.38	.020	1.00	0.62	0.46	
113	37.90- 39.40	1.1 (3'- 7")	2.97	.006	0.50	0.01	0.08	
114	18.40- 20.50	2.1 (6'-10")	8.69	.002	2.85	1.04	0.22	
115	Information not yet received from Minnova Inc.							
116	43.0 - 44.2	0.8 (2'- 7")	1.84	.003	3.79	0.01	0.14	
117	35.0 - 38.7	3.7 (12'- 1")	5.54	.005	0.40	0.08	0.21	
	43.1 - 44.0	0.9 (2'-11")	6.18	.010	2.63	1.50	0.15	
ASSAY RESULTS REPORTED IN 1986								
53	125.1 -126.1	1.0 (3'- 3")	2.76	.140	0.23	0.15	0.08	
64	89.45- 90.35	0.90 (3'- 0")	78.85	.111	7.82	6.95	9.34	
65	60.20- 62.00	1.80 (6'- 0")	24.79	.039	0.54	0.04	0.78	
	66.60- 66.90	0.30 (1'- 0")	11.49	.047	0.86	0.05	0.57	
	75.95- 81.00	5.05 (16'- 7")	6.94	.040	1.96	1.16	0.32	
70	No assay information available from Minnova Inc.							
71	99.65-108.45	8.80 (28'-10")	16.00	.037	2.94	2.10	0.63	
(inc)	104.25-105.60	3.95 (12'-11")	28.80	.037	5.03	3.70	1.07	
72	145.00-158.10	13.10 (43'- 0")	0.70	.004	1.80	0.95	0.07	
74	153.20-153.75	0.55 (1'- 8")	23.33	.164	5.34	3.01	1.43	
	173.35-177.40	4.05 (13'- 4")	13.83	.035	2.00	1.10	0.45	
75	176.24-176.64	0.40 (1'- 4")	68.24	.043	6.43	4.40	5.23	
	188.10-193.10	5.00 (16'- 5")	9.68	.013	4.46	2.99	0.68	
76	254.50-256.10	1.60 (5'- 3")	13.71	.007	2.04	1.28	1.38	
82	234.10-235.15	1.05 (3'- 5")	13.12	.008	1.81	1.28	1.35	
83	36.35- 49.75	13.4 (43'-11")	5.57	.026	0.63	0.35	0.46	
84	34.50- 34.80	0.3 (1'- 0")	22.17	.033	5.01	0.02	0.64	
85	252.70-263.75	11.05 (36'- 3")	1.27	.010	2.89	2.80	0.28	
(inc)	264.10-266.10	2.0 (6'- 6")	2.97	.014	2.23	6.10	10.73	

82M191 82M/4

ADDITIONAL METALLURGICAL RESEARCH ORDERED - Rea Gold Corporation has hired Wright Engineers Ltd.

82M191 to develop a process for the recovery of metals from the 100% owned Discovery zone at Adams Lake, B.C. The reserves, which contain arsenopyrite, have been estimated to be 266,000 tons containing 0.19 oz. gold/t based on a 0.05 oz. gold/t cut off for a gross value of \$45,000,000 (Cdn.) but, unlike the mineralization which occurs within the Silver Zone, (located 1,000 meters east) the Discovery zone reserves are not amenable to the conventional physical methods used to produce saleable concentrates economically.

The present test work involves chemical methods and the company is confident that an economic process will be developed in the near future.

Minnova plans major drilling

VANCOUVER - Another 33,000 ft of drilling is planned by Minnova Inc. on its Samatosum property in the Kamloops area of B.C. The program is under way and three drills are being utilized. One of the rigs is drilling the main deposit, another is testing for strike extensions, and a third is doing reconnaissance work. Vol 73 #31

The Samatosum deposit will be drilled off in considerably more detail and several other exploration targets checked as well. The program will also ensure that no ore reserves exist under proposed surface installations. OCT 12/87

Rea Gold will fund 30% of the program although it was not obligated to provide any until after feasibility. This decision was made to speed development of the project. Besides the drill program, geochemical and environmental studies are planned plus a bulk sampling program and further metallurgical test work. 82M191

Minnova has estimated an undiluted *in situ* reserve for the property of 661,000 tons grading 32.1 oz silver, 0.052 oz gold, 3.5% zinc, 1.7% lead and 1.2% copper. Rea Gold has a 30% interest in the project and a 5% net smelter return.

GCNL 117 JUNE 18/87

CELEBRITY ENERGY CORP. (CEC-V)

WORK STARTING ON - Paul Frigstad, president of Celebrity Energy Corp., reports that a geological crew is now on Celebrity's JC claims in the Adams Lake area, B.C. The claims adjoin the west border of those of Rea Gold/ Falconbridge Copper (Minnova) shown on the map in GCNL 115(87) overleaf page 1.

The crew will assess geochemical and geophysical anomalies previously located on Celebrity's ground preparatory to a follow-up trenching program, which, in turn, is expected to be followed by diamond drilling.

REA GOLD CORPORATION (REO-V,T;REOGF-Nasdaq)

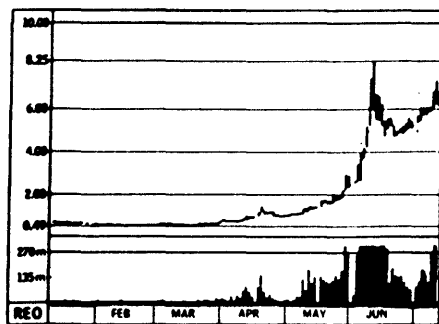
TONS	OZ. SILVER/T	OZ. GOLD/T	ZINC %	LEAD %	COPPER %
661,000	32.08	0.052	3.50	1.70	1.20

MAJOR EXPLORATION PROGRAM - Larry W. Reaugh, president of STARTS AT ADAMS LAKE, B.C. Rea Gold Corporation,

9/24/87 reports being advised by Minnova Inc. that a major program including 33,000 feet of diamond drilling with 3 diamond drills will start immediately on the Samatosum high grade silver deposit on Rea's Adams Lake property 28 miles NE of Kamloops, B.C. The program will entail definition drilling, exploration drilling and drill testing of other areas on the claims which may be affected by facilities required to develop and mine the Samatosum deposit, such as mill and tailings sites. Geochemical and environmental studies, bulk sampling and further metallurgical work will also be conducted. 82M191 GCNL

Rea Gold has entered into the joint venture agreement earlier than necessary and will contribute its 30% of the above expenditures. Under the joint venture agreement with Minnova, Rea Gold would not be obliged to contribute until after the feasibility study was delivered, but Rea has entered into the agreement early to facilitate rapid progress of the project. Rea Gold has 30% interest in the project plus a 5% net smelter return interest.

Rea Gold Corporation REO
Shares issued: 6,527,885 Jul 10 close: \$6.50



SW July 13, 87

Rea Gold Corporation REO
Shares issued: 6,527,885 Jul 10 close: \$6.50

82M191 (4) News Release
Mr. Larry Reaugh reports:

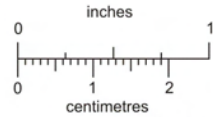
Minnova Inc. (formerly Corporation Falconbridge Copper) reports assay results on the remaining 20 holes of the 20,000 foot drilling program on the Adams Lake, B.C. joint venture property. Hole No. 122 is located 600 feet south of hole No. 137 and averaged 30.6 oz/ton silver over a true width of 33 feet. The total strike length of the presently known mineralization (545 meters) 1,800 feet, averages (135 meters) 450 feet down dip and (4.0 meters) 13 feet wide. Assays on hole No.'s 118 to 137 are as follows:

HOLE NO.	INTERVAL (METERS)	TRUE WIDTH (METERS)	CONFIRMED ASSAY RESULTS		
			AG OZ/T	AU OZ/T	ZN %
118	171-174	2.8	4.6	.01	1.6
119	238-240	1.5	1.5	.01	1.5
	254-255	1.0	0.8	.01	2.3
120	No significant assays				
121	164-165	1.4	3.5	.01	1.0
122	236-246	10.1	30.5	.05	2.3
123	110-111	0.4	34.8	.05	4.5
124	No significant assays				
125	No significant assays				
126	47-48	0.2	49.2	.13	3.3
127	No significant assays				
128	22-24	1.3	16.0	.02	1.6
129	No significant assays				
130	185-186	0.5	46.6	.06	2.5
	194-199	4.4	13.3	.03	2.0
131	62-64	2.0	9.0	.01	0.1
132	191-203	11.2	8.9	.01	0.8
133	168-173	5.2	6.5	.06	0.3
	incl. 168-169	1.4	19.2	.05	0.5
134	No significant assays				
135	192-195	2.4	0.58	.01	4.1
	235-241	5.6	trace	.12	trace
136	51-62	10.7	18.3	.04	1.5
137	49-60	11.3	52.4	.08	3.5

Further progress will be reported as information becomes available.

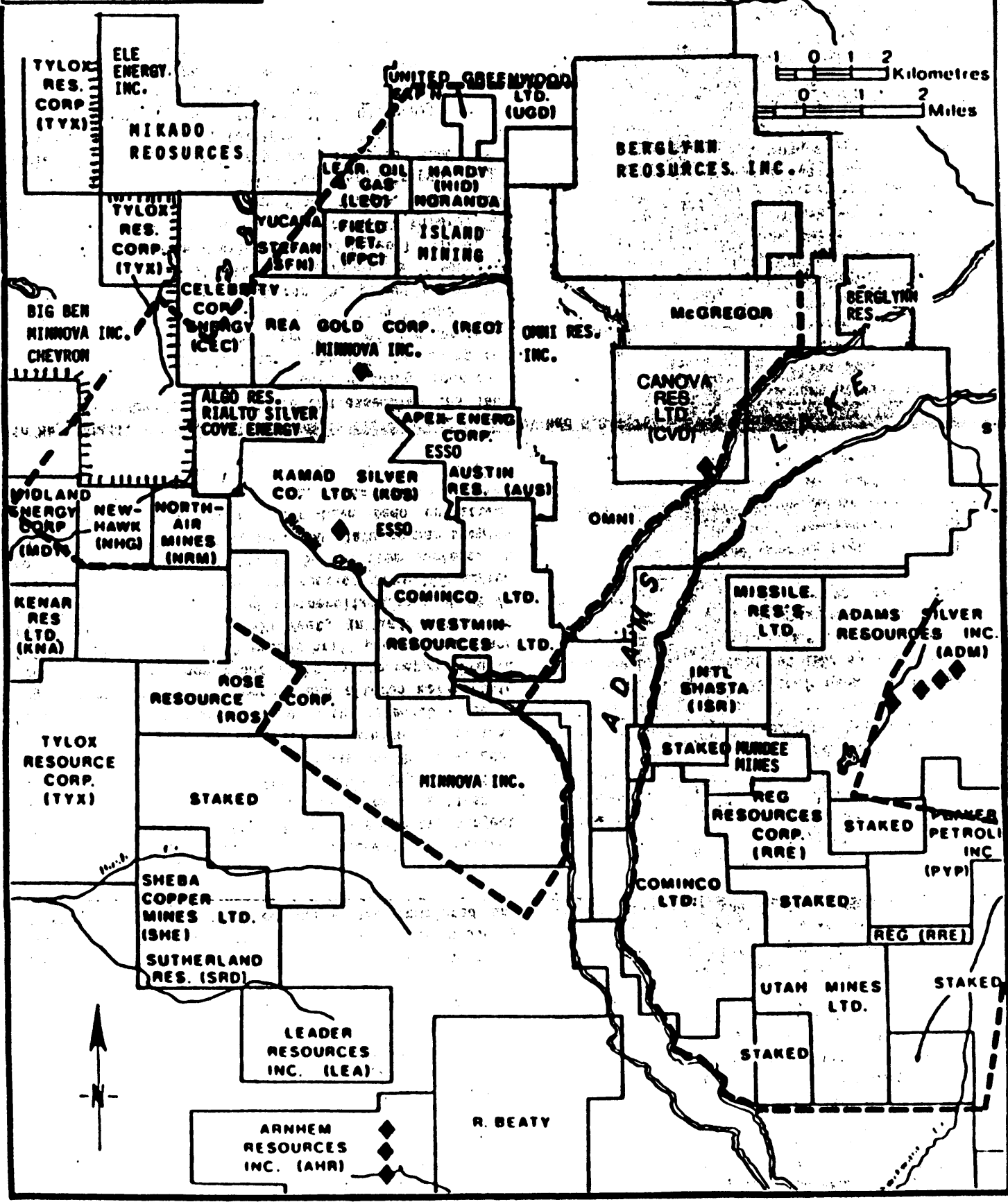
GENL 117 JUNE 18/87

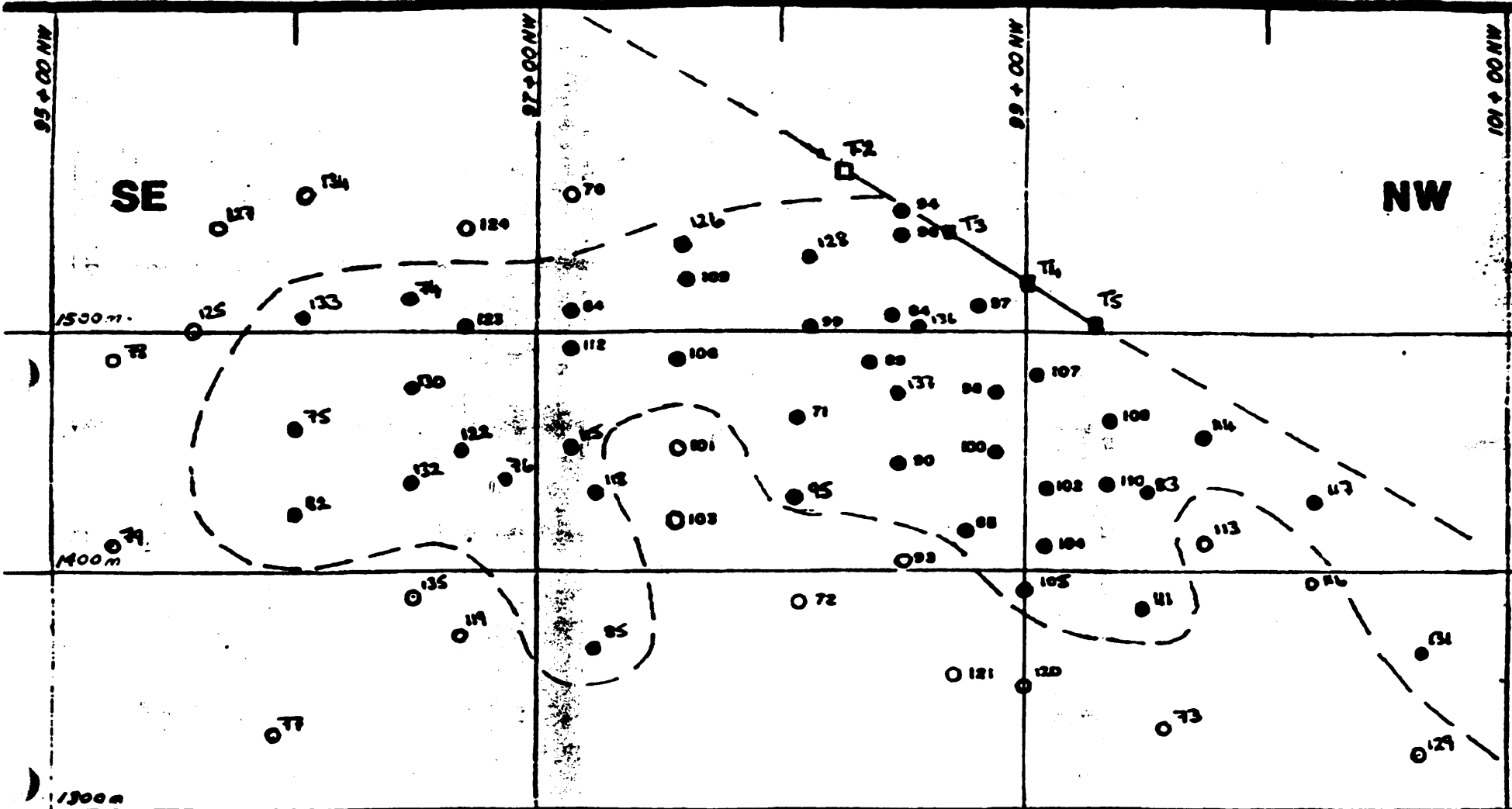
82M191



This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.

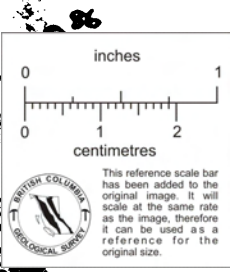
ADAMS LAKE AREA 'CLAIMS' MAP





- Notes 91, 92 did not intersect the plane of mineralization

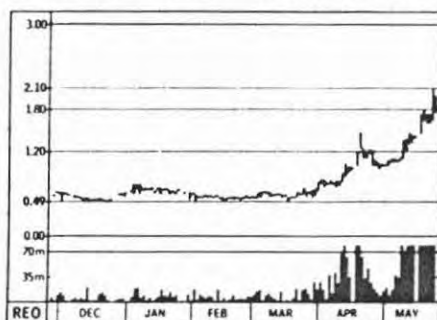
- ore grade (\$50 netback cut off)
- sub-ore grade



**SAMATOSUM DEPOSIT
LONGITUDINAL SECTION
IN PLANE OF MINERALIZATION**

(ASSUMING SINGLE PLANAR MINERALIZED STRUCTURE)
82M/4W 10P/99 JUNE 1987

Rea Gold Corporation **VSW May 27 1987**
 Shares issued: 6,478,294 May 26 close: \$1.85



82M191,244

Rea Gold Corporation **REO**
 Shares issued: 6,478,294 May 26 close: \$1.85
 News Release

Mr. Larry Reaugh reports:

Minnova, Inc. (formerly Corporation Falconbridge Copper) has reported additional results from the continuing successful drilling program on the high grade silver zone at Adams Lake, B.C. Results are as follows:

HOLE NO.	INTERVAL (METERS)	TRUE WIDTH (METERS)	CONFIRMED ASSAY RESULTS			
			AG OZ/T	AU OZ/T	ZN %	
89	48.15- 59.80	11.65	41.63	.065	2.85	
	*48.15- 52.15	4.00	102.00	.140	4.89	
90	98.37-102.11	3.75	56.27	.090	2.64	
	*99.10-102.11	3.01	68.70	.106	2.60	
93**	113.80-114.45	0.50	4.55	.016	1.09	
	114.90-115.20	0.25	3.50	.022	3.41	
95**	129.00-130.00	1.00	10.03	.012	3.03	
96**	13.80- 15.20	1.40	43.49	.041	1.71	
97	16.97- 21.17	3.95	34.77	.03	25.50	
98	42.80- 48.20	5.40	79.92	.144	1.96	
99	71.00- 77.80	6.70	36.87	.062	3.46	

*Previously announced intercepts. **Located on outer fringes of mineralized zone.

The foregoing results confirm and extend the spectacular values obtained and reported previously in trenches T3, T4, T5 and in hole No.'s 71, 89 and 90. These results were as follows:

HOLE NO.	INTERVAL (METERS)	TRUE WIDTH (METERS)	AG AU ZN		
			OZ/T	OZ/T	%
71	104.25-108.45	4.20	28.80	.037	5.03
T3	surface	3.10	83.28	.130	3.10
T4	surface	0.85	255.25	.324	1.37
T5	surface	4.80	79.75	.048	0.82

All the holes and trenches shown in this release are contained within an open area which is 100 meters wide by 150 meters long. The average thickness of mineralization has been calculated to be at the deepest point. Thus the overall significance of these data is that this portion of the high grade silver zone contains metal values which are in excess of \$750/ton Cdn.

In all likelihood these reserves could be mined from an open pit. This high grade section is contained in a zone of mineralization estimated by Rea Gold to contain in excess of 1.1 million tons. The project is a joint venture between Minnova (70%) and Rea Gold (30%). Rea Gold recently acquired the 5% NSR from A.J. Hilton.

Drilling is continuing on this high grade silver zone which still remains open in both directions along strike. Further results will be reported as they become available.

MINE FEASIBILITY STUDY NEXT PROBABLE STEP ON ADAMS LAKE HIGH GRADE SILVER DISCOVERY

Since drilling started April 27, 1987, on hole No.89 in the Silver zone on the Rea Gold Corp. Adams Lake property, a total of 48 holes, for a total of about 21,000 feet, have been completed in this phase of exploration. Hole No.136 and No.137 are scheduled to be completed June 16, 1987. It is currently taking between two and four weeks to receive final assays.

Assays have been reported for 25 of the holes drilled this season and assays for a further 22 are awaited. The highest grade hole reported in this drilling was No.108 which returned 10 feet, 3 inches assaying 407.18 oz. silver per ton. Included within this is a 4.3 foot section assaying 940 oz. silver/t plus 0.73 oz. gold/t. The silver values are sufficiently high to be reported at 3.4%. Larry Reaugh, president of Rea Gold, noted that it is seldom precious metal values can be reported in percentage. SEE TABLE OF ALL REPORTED 1987 ASSAYS OVERLEAF and LONGITUDINAL SECTION OVERLEAF PAGE 2.

The 1987 holes have confirmed a high grade silver discovery of major importance containing between 800,000 and 1,000,000 tons with an average silver content in excess of 45 oz. per ton. That is between 40,000,000 and 50,000,000 oz. silver at \$6.00 per oz. valued in the ground at \$240,000,000 to \$300,000,000. This silver polymetallic zone strikes 160 degrees southeast/northwest and dips at between 40 and 45 degrees to the east. The 48 holes have established the zone to be 1,600 feet along strike, 820 feet down dip and to range from 3 to 35 feet wide, averaging 15 feet wide. In addition to the silver content, the massive sulphide carries about 0.07 oz. gold/t, 5% combined lead-zinc, 1% copper. Of almost equal importance to the discovery of this new Silver zone is the fact that the fault zone within which it is hosted has been found to be anomalous over a 3-mile length. At several points along this 3 miles of fault, drill holes have located barite and massive pyrite, both of which are considered strong indicators of good areas for further exploration.

82M191,244 82M/4
 The Adams Lake property is between 4,500 and 5350 feet in elevation, 30 miles northeast of Kamloops, B.C. Rea acquired the original property in late October 1983 because high grade values were discovered in outcrop and, later, in a bulldozer trench in an area of a 40,000 parts per billion gold geochemical sample. Regional stream silt sampling attracted property vendor Allan Hilton to the area. These first 1983 and 1984 programs were on what is called the Discovery zone, about 3,000 feet south west of the Silver zone's current drilling. Reserves in the Discovery zone have been calculated at 267,720 tons averaging 0.19 oz. gold/t, 2.14 oz. silver/t, 2.25% zinc, 2.14% lead, 0.57% copper. A small area including and surrounding the Discovery zone has been made subject to a separate agreement with Rea holding a 100% interest in this area. This concession area is subject to a 5% net smelter return royalty payable to Allan Hilton, vendor. On June 16, 1987, Rea Gold announced an agreement to buy this 5% royalty for 50,000 treasury shares plus \$1.50 per ton of ore milled, subject to regulatory approvals, to earn 50% interest in the mineral rights underlying the claim units on the Adams Plateau NE of Kamloops, B.C., in an area on strike between the Esso Minerals and Rea Gold discoveries, by spending \$300,000, by 1Mar88, exploring the claims and up to an additional 20% interest by spending an additional \$700,000 by 15Jun91. A finder's fee is proposed of 50,000 E.L.E. shares issuable in four 12,500-share blocks over a 9-month period starting on the date of regulatory approval.

*

GCNL 108

REA GOLD CORPORATION (REO-V, T: REOGF-Nasdaq)

JUNE 87

HOLE (RG#)	INTERVAL METERS	TRUE WIDTH METERS FEET	SILVER OZ/TON	GOLD OZ/TON	ZINC %	LEAD %	COPPER %	TOTAL SILVER EQUIVALENT
ASSAY RESULTS REPORTED MAY 6, 1987								
89	48.15- 59.8	11.65 (33'- 2")	41.63	0.065	2.85	1.33	1.10	50.67 OZ/TON
	*48.15- 52.15	4.00 (13'- 2")	102.00	.140	4.89	2.26	2.70	
90	98.37-102.11	3.74 (12'- 3")	56.27	.090	2.64	1.13	1.71	67.36
	*99.10-102.11	3.01 (9'-11")	68.70	.106	2.60	0.93	2.10	
82M191 244 93 **	113.80-114.45	0.50 (1'- 8")	4.55	.016	1.09	0.87	0.85	8.47
	114.90-115.2	0.25 (-10")	3.50	.022	3.41	1.76	0.80	10.64
95 **	129.00-130.00	1.00 (3'- 3")	10.03	.012	3.03	1.80	1.60	17.48
96 **	13.80- 15.20	1.40 (4'-7")	43.49	.041	1.71	0.01	1.74	50.29
97	16.97- 21.17	3.95 (13'-0")	34.77	.036	25.50	0.83	4.61	69.77
98	42.80- 48.20	5.40 (17'-8")	79.92	.144	1.96	1.65	2.63	95.20
99	71.00- 77.80	6.70 (22'-4")	36.87	.062	3.46	2.23	1.73	47.98
ASSAY RESULTS REPORTED JUNE 4, 1987								
100	46.00- 52.50	5.60 (18'-4")	28.50	.037	3.36	1.87	1.34	\$37.88
	46.00- 50.2	3.60 (11'-9")	40.98	.053	4.31	2.44	1.70	53.33
101	139.82-140.02	0.36 (1'-2")	18.29	.007	3.53	2.49	2.30	28.23
102	74.50- 82.1	7.5 (24'-7")	90.24	.087	2.21	1.20	2.30	102.59
	75.30- 82.1	6.7 (21'-11")	100.00	.096	2.41	1.30	2.52	113.55
104	56.20- 58.7	2.4 (7'-10")	8.63	.063	0.82	0.39	0.30	13.99
	76.50- 80.9	3.9 (12'-9")	9.45	.018	3.36	2.34	0.49	16.54
105	62.4- 77.1	10.4 (34'-1")	10.67	.024	3.63	2.23	0.43	18.21
106	120.3-122.8	2.4 (7'-10")	51.94	.074	1.51	0.34	1.44	60.66

These results confirm and extend the spectacular values in Trenches 3,4 and 5 and in Holes 71, 89 and 90 previously reported as follows:

71	104.25-108.45	4.20 (13'- 9")	28.80	0.037	5.03	3.72	1.07	39.96
T3	Surface	3.10 (10'- 2")	83.28	.130	3.30	17.80	1.84	108.40
T4	Surface	0.85 (2'-10")	255.25	.324	1.37	24.98	4.22	297.81
T5	Surface	4.80 (15'- 9")	79.75	.048	0.82	8.65	1.75	91.78

↑ cont. next page

*

GCNL 111 REA GOLD CORPORATION (REO-V, T: REOGF-Nasdaq) JUNE 10, 87

HOLE	TRUE WIDTH	OZ. SILVER/T	OZ. GOLD/T	ZINC	LEAD	COPPER
107	5 ft. 9 in.	75.85	0.084	37.40%	4.12%	4.18%
108	10 3	407.18	.340	19.56	9.43	6.34
109	8 3	71.76	.074	4.23	1.50	2.35
plus 13	6	19.81	.038	2.25	1.55	0.78

Rea Gold Corp. has reported assays, as reported by MIKADO RESOURCES LTD. (MKA-V) from 3 more holes on the Adams Lake claims, 30 miles NE of Kamloops, B.C. (SEE GCNL NO. 108 FOR PREVIOUS ASSAY RESULTS.) 82M191

* GCNL 112 ALSO RESOURCES LIMITED (AGO-V) JUNE 11, 87
 ADAMS LAKE PROPERTY EXPLORATION FUNDING REPORTED - Atigo 82M191
 Resources Ltd. has arranged a private placement with Multiple Opportunities Fund. of 250,000 shares at 65¢ each plus a 6-month option to buy 125,000 shares at 75¢ each. Proceeds are to be used to explore the OK claims which adjoin the Rea Gold property in the Adams Lake area to the southwest.
 * GCNL 112 MIKADO RESOURCES LTD. (MKA-V) JUNE 11, 87
 ADAMS LAKE CLAIM GROUP OPTIONED - Mikado Resources Ltd. 82M191
 has acquired an option on 60 claims located one to two miles to the north west of the Rea Gold Resources Adams Lake, B.C. property. Terms of the acquisition have not been reported and will be subject to regulatory approval.



VSW MAY 28, 87

Rea Gold Corporation REO
 Shares issued: 6,478,294 May 27 close: \$1.90
 Company Review

Mr. Larry Reaugh reviews the company:

At Adams Lake a program of 10,000 feet of diamond drilling on the company's 100% owned twenty acre Discovery zone was underway in January 1986 and completed a month later. This raised the total drilling on this zone to 30,000 feet and by mid-year a mining reserve study indicated in-place reserves of:

TONNAGE	AU OZ/T	AG OZ/T	ZN %	PB %	CU %
267,720 (averaging)	.190	2.14	2.25	2.14	0.57

At the end of 1986, an agreement with Glitter Gold Mines Ltd. was signed granting Glitter Gold a three month test period whereby Glitter Gold is to remove overburden prior to drilling and blasting for the removal of a 1000 - 1500 ton bulk sample. All costs are to be borne by Glitter Gold for work done under this initial agreement.

On the much larger portion of the property the company's joint venture partner Corporation Falconbridge Copper continued exploration on the new Silver zone discovered in 1985. Geochemical sampling, mapping and UTEM surveys were done in May and June. Further drilling started in July with the consequent discovery of more high silver values. Surface trenches were cut and spectacular mineralized areas with silver values in excess of 60 oz/ton were exposed.

TONNAGE	AU OZ/T	AG OZ/T	ZN %	PB %	CU %
1,120,000 (averaging)	.042	21.22	2.89	3.20	1.16

Some near surface material in the trenches has a total value in excess of \$1,200/ton (Cdn) based on current metal prices and after cutting high grade assays by 50%.

Rea Gold has entered into an agreement with Mr. J.A. Hilton to purchase the 5% net smelter return on the joint-venture Adams Lake property.

THE CK PROPERTY 92P/9

In May of 1986 the company and Verdstone Gold Corporation (an associated company within the Rea Group) each acquired an undivided 50% interest in the CK property near Clearwater, B.C.

The claims cover an area of 22,000 acres and contain several outcrops of massive sulphides rich in zinc and lead.

The total acquisition cost will be \$241,750 payable in escalating annual instalments over a ten year period.

In July of 1986, Minorex Consulting Ltd. on behalf of Rea Gold and Verdstone commenced a detailed program of mapping, linecutting and both geophysical and geochemical surveys.

T4 Surface
 T5 Surface

REA GOLD CORPORATION (REO-V,T;REOGF-Nasdaq)

May 1987

Mr. W. Reaugh, president of Rea Gold Corporation, reports additional results derived from Minnova, Inc. (formerly Corporation Falconbridge Copper) from their continuing successful drilling program on the high grade silver zone on Rea's

TRUE WIDTH METERS FEET	SILVER OZ/TON	GOLD OZ/TON	ZINC %	LEAD %	COPPER %	TOTAL SILVER EQUIVALENT
11.65 (33'- 2")	41.63	0.065	2.85	1.33	1.10	50.67 OZ/TON
4.00 (13'- 2")	102.00	.140	4.89	2.26	2.70	
3.74 (12'- 3")	56.27	.090	2.64	1.13	1.71	67.36
3.01 (9'-11")	68.70	.106	2.60	0.93	2.10	
0.50 (1'- 8")	4.55	.016	1.09	0.87	0.85	8.47
0.25 (-10")	3.50	.022	3.41	1.76	0.80	10.64
1.00 (3'- 3")	10.03	.012	3.03	1.80	1.60	17.48
1.40 (4'-7")	43.49	.041	1.71	0.01	1.74	50.29
3.95 (13'-0")	34.77	.036	25.50	0.83	4.61	69.77
5.40 (17'-8")	79.92	.144	1.96	1.65	2.63	95.20
6.70 (22'-4")	36.87	.062	3.46	2.23	1.73	47.98

ed intercepts

ringes of mineralized zone

the spectacular values in Trenches 3,4 and 5 and in Holes 71, 89 and

4.20 (13'- 9")	28.80	0.037	5.03	3.72	1.07	39.96
3.10 (10'- 2")	83.28	.130	3.30	17.80	1.84	108.40
0.85 (2'-10")	255.25	.324	1.37	24.98	4.22	297.81
4.80 (15'- 9")	79.75	.048	0.82	8.65	1.75	91.78

Mr. Reaugh says all the holes and trenches referred to in this release are contained within an open area 100 meters wide by 150 meters long. The average thickness of mineralization has been calculated to be 3.56 meters all of which is within a depth not exceeding 120 meters at the deepest point. Thus, the overall significance of these data is that this portion of the high grade Silver Zone contains metal values which exceed \$750,000 Cdn. per ton.

Mr. Reaugh also notes that in all likelihood these reserves could be mined from an open pit. This high grade section is contained in a zone of mineralization estimated by Rea Gold to contain more than 1,100,000 tons. The project is a joint venture between Minnova-70% and Rea Gold 30%. Rea Gold recently acquired from A.J. Hilton a 5% net smelter return royalty.

Drilling continues on this high grade Silver Zone which still remains open in both directions along strike.

NM 11 MAY 87

Profit on growth curve for Kerr Addison

With two new high grade mines waiting in the wings, **Kerr Addison Mines** expects this year's bottom line to look better than ever.

This expectation is already unfolding as it should.

Net earnings of \$4.3 million or 25¢ per share were realized in the first quarter of this year, up markedly from the \$1.8 million or 11¢ posted last year.

Though the reason for the improvement is due to gains from the sale of investments over the quarter, the goal now is for operations to play more of a role in boosting profit, President Ian Bayer told the annual meeting.

And Kerr is counting on two key projects — both inherited in last summer's \$120 million purchase of **Corporation Falconbridge Copper** — now named **Minnova Inc.**

The first is the high grade Winston Lake zinc project near Schriber, Ont. which will be brought into full capacity production in the second quarter of 1988 (N.M., May 4/87). As Mr Bayer notes, this project dovetails nicely with Kerr's corporate interests. Kerr's interest in annual zinc concentrate production from Winston Lake will approximate its share of concentrate requirements for the Canadian Electrolytic Zinc reduction plant, in which Kerr holds a 9.8% joint venture interest.

Probable and proven reserves at Winston Lake stand at 3.4 million tons of 1.0% copper, 16% zinc, 0.96 oz silver and 0.03 oz gold per ton.

The high grade Ansil copper project is second on the production agenda. A decision is expected to come down in this year's third quarter with production anticipated to start 12 to 15 months later. (N.M., May 4/87).

Located in the Lac Dufault camp near Rouyn-Noranda, Que., the Ansil hosts drill indicated reserves of 2.1 million tonnes grading 7% copper, 0.5% zinc, 24 g silver and 1.7 g gold per tonne.

Even before these projects have come on stream, Minnova has already had a positive impact on Kerr's balance sheet. Production revenues have increased to \$24.7 million in this year's first quarter from \$12 million in the comparable period last year.

82M191
244

Operating income has come out ahead at \$7.1 million, up from \$4.1 million posted in the first quarter of 1986.

Cash flow for the quarter from all sources was \$23.6 million, which included \$16.8 million of proceeds from the sale of investments. In the comparable period last year cash flow amounted to \$15.2 million.

Capital expenditures this quarter totalled \$15.9 million, of which \$12.8 million was directed to mining projects and \$3.1 million went to oil and gas exploration and development.

As of March 31 of this year, cash and term deposits stood at \$68.9 million, a significant increase from its more than healthy position of \$41.2 million at the end of the same period last year.

Long-term debt was reduced by \$10 million this quarter to a balance of \$40 million at quarter end. Debt will be trimmed back by some \$21.5 million realized from Kerr's recent sale of its 24% interest in **MFC Mining Finance Corp.** to **Brohm Resources**, a subsidiary of Ventures Trident Ltd., says Mr Bayer. The sale is expected to close this month.

Gold production this quarter amounted to 33,000 oz compared to 12,000 oz in the first quarter in 1986. Mr Bayer expects some 140,000 oz to be produced this year from the Kerr Addison, Lac Shortt and Opemiska operations. (See N.M., May 4/87 issue for exploration news at the latter two divisions).

Other exploration projects of note this year include the Delbridge/Kerralda gold project near Noranda, Que. Here, diamond drilling, funded by Toronto-listed **Syngold Exploration** on an earn-in arrangement, has outlined a narrow but apparently continuous mineralized quartz vein structure interpreted to be an extension of the formerly productive Donalds No 1 gold vein. Mineral potential of the zone is currently estimated at 450,000 tonnes grading 9.3 g gold per tonne.

Additional drilling is also planned this year on the optioned **Rea Gold** property in the Adams-Barriere region of B.C.

Here, drilling and trenching have outlined a complex sulphide

deposit with potential for 670,000 tonnes grading 0.95% copper, 2.43% lead, 2.08% zinc, 717.5 g silver and 1.23 g gold per tonne.

REAGOLD CORPORATION (REG-V.T) 600 93

INTERVAL	CORE LENGTH		OZ. GOLD/T	OZ. SILVER/T	ZINC %	LEAD %	COPPER %
	MEIERS	FEET					
Hole 89	48.15-52.15	4.0	0.140	102.0	4.89	2.26	2.70
Hole 90	99.10-102.1	3.01	0.106	68.7	2.60	0.93	2.10
Trench 3*		10'-2"	0.130	83.28	3.30	17.80	1.84
GEOLOGIC DRILL INFERRED RESERVES							
1,120,000 Tons			0.042	21.22	2.89	3.20	1.16

*Previously reported. 82M191

Larry W. Reaugh, president of Rea Gold Corporation, reports receiving from Minnova Inc., (formerly Corporation Falconbridge Copper) spectacular results from the first 2 holes on the Silver zone of the Adams Lake, B.C., massive sulphide property. The holes are located 100 feet along strike south of Trench No.3.

Mr. Reaugh says the value of the total metal in Holes 89,90 and Trench No.3 in dollars per ton is \$1,400, \$940 and \$1,255, respectively. The geologic drill inferred reserves in the Silver zone shown in the table were calculated by Rea Gold. Rea Gold has a carried interest in the property through to completion of a feasibility study and then 30% working interest plus a royalty of 5% of net smelter returns.

3 Apr 87 REA GOLD CORPORATION (REO-V,T; REOGF-Nasdaq) GCNL

FALCONBRIDGE WILL DRILL - Larry W. Reaugh, president of MULTI-METAL CLAIMS IN MAY Rea Gold Corporation reports being advised by Corporation Falconbridge Copper that 16,000 feet of diamond drilling on the Adams Lake, B.C. massive sulphide property will start on 1 May 87. The program will be fill-in between widely spaced holes drilled in 1986 on the Silver Zone and to test for strike and down dip extensions of the mineralized horizon.

Rea Gold has calculated the drill indicated geologically inferred reserves to be 1,120,000 tons ^{1,016,000 tonnes} grading 0.042 oz. gold/t, 21.22 oz. silver/t, 2.89% zinc, 3.20% lead and 1.16% copper. The silver content amounts to about 24,000,000 ounces.

1.446T Au 727.54GT Ag

REA GOLD CORPORATION (REO-V,T)

PROPERTY	TONNAGE	OZ. GOLD/T	OZ. SILVER/T	ZINC%	LEAD%	COPPER%
Joint Venture	1,120,000	0.042	21.22	2.89	3.20	1.16
Discovery Zone	267,720	0.190	2.14	2.25	2.14	0.57

GCNL #76

Apr 21, 1987

ROYALTY IS BEING ACQUIRED ON- Larry W. Reaugh, president, ADAMS LAKE MULTI-METAL CLAIMS announces Rea Gold Corporation's agreement to buy a royalty of 5% of net smelter returns on the Corporation Falconbridge Copper/Rea Gold 70//30 joint venture, multi-mineral property near Adams Lake, B.C., from J. Allan Hilton of Kamloops. The price payable is 100,000 shares of Rea Gold; \$150,000 cash and a \$1.50 royalty to Mr. Hilton for each ton milled.

The 5% royalty covers the joint venture ground only. The Adams Lake gold Discovery zone is owned 100% by Rea Gold. Rea Gold's estimates of reserve tonnages are shown in the table.

A 16,000-foot drilling program by Corporation Falconbridge is scheduled to start 1 May 87 on the joint venture ground, known as the Silver zone.

Purchase of the 5% net smelter return is subject to regulatory approval.

13 JAN 87

REA GOLD CORPORATION (REO-V, T, REOGF-Nasdaq)
GLITTER GOLD MINES LTD. (GGM-V) (CNL#8)

BULK SAMPLING- Glitter Gold Mines has acquired an **DEAL ARRANGED** option to earn a 65% interest to payout and 50% interest after payout in the 82M191 Adams Lake discovery zone on the Rea Gold Corp. property 50 miles north east of Kamloops, B.C. Glitter Gold will mine about 1,000 tons from the Discovery zone and transport the ore to the Dankoe concentrator plant near Keremeos, B.C. for test metallurgical work under the direction of Kamloops Research and Bacon Donaldson Consultants. This work is designed to determine the feasibility of processing and successfully marketing ore from the area. It has been estimated that the cost of obtaining the sample and carrying out the work will be approximately \$162,000 of which \$30,000 will be spent on metallurgical and other tests. This test work is to be completed before March 31, 1987. Glitter will have the right to bring the property into production at rates up to 200 tons per day. Profits from such an operation will be shared 65% to Glitter and 35% to Rea until all costs have been repaid after which further profits will be split 50-50.

Reserves in the Discovery zone are estimated at 267,720 tons averaging 0.19 oz. gold/t, 2.14 oz. silver/t, 2.149% lead, 2.247% zinc and 0.527% copper with a gross in the ground value of \$45,000,000.

Knight's Mineral Exploration and Company Limited Partnership has agreed to incur up to \$250,000 Canadian exploration expenses on the Rea claims in return for 50 units of Glitter consisting of one tax flow-through share and one warrant for each \$100 of exploration expenditure. Each warrant entitles the Partnership to purchase one common share of Glitter at 1¢ until Sept. 30, 1993. If the total amount of \$250,000 is spent

in the initial program year, Glitter will have purchased 1,250 preferred shares of KRS Retraction Ltd. at \$100 each. The Glitter investment in the KRS preferred shares will be redeemed in full if the price of the Glitter shares trade at \$1.20 or better for 30 days at anytime between the end of the mandatory hold period and June 30, 1992.

N. MINER 26 JAN 87 82M191
**Glitter Gold to bulk test
Rea Gold's Discovery zone**

Bulk sampling, metallurgical and milling tests are slated for **Rea Gold Corp's** Discovery zone in the Adam's Lake area of B.C.

Under an agreement with Rea, Vancouver-listed **Glitter Gold Mines** has been given the right to carry out the work. Under the terms of the agreement, the work will be co-ordinated by means of a management committee and is to be completed before March 31.

About one-third of the 1,000-ton bulk sample will be obtained from the 100 Lens and about two-thirds will come from the 97 Lens. The sample will be shipped to **Dankoe Mines'** facilities at Keremeos, B.C.

The costs to obtain the sample and to carry out the work are estimated at approximately \$162,000, of which \$30,000 will be spent on metallurgical and other tests.

The Discovery zone contains 267,720 tons averaging 0.19 oz gold, 2.14 oz silver, 2.149% lead, 2.247% zinc and 0.527% copper per ton

based on a 1986 report by Sentinel Management Corp.

Glitter Gold will also have the right to bring the property into production at rates up to approximately 200 tons per day. Profits from such an operation will be shared with 65% to Glitter and 35% to Rea until all costs have been repaid. After that, further profits will be split on a 50/50 basis between the companies.

In other company news, Rea plans to increase the proposed drilling program to 21,000 ft from 5,000 ft on its CK Claims property near Clearwater, B.C.

Metallurgical testing and feasibility studies are also planned on the property where drill indicated reserves are estimated to be 1.6 million tons averaging 8.6% zinc, 1.4% lead and 0.255 oz silver per ton.

The deposit is open downdip and along strike, says the company, with reserves contained in a one kilometre strike length to a depth of 62 metres.

Rea trades on the TSE and VSE.

Rea Gold Corporation

Issued Shares: 6,280,619
Ticker Symbols: REO.V, REO.T, NASDAQ-REOGF

82M191
NW PROSP JAN/87
ADAMS LAKE (6000 acre poly metallic property located 45 Km northeast of Kamloops, B.C.)
Rea has a 100% interest in the 20 acre discovery zone with Corporation Falconbridge Copper ("CFC") having a 10% carried interest after all paybacks to Rea. The discovery zone has drill proven reserves of 267,720 tons averaging:

Tons	Au oz./T	Ag oz./T	Zn%	Pb%	Cu%
267,720	.190	2.14	2.25	2.14	.57

Total metal value is in excess of \$46 million dollars Canadian.

The company has a 30% interest with CFC having a 70% interest in the balance of the property. Drilling over the past year has identified a significant body of mineralization known as the "Silver Zone" which has a strike length of 425 meters, a dip length of 200 meters and an average width of 3 meters. The deposit is open in all directions. Drill indicated potential ore reserves in the zone have been calculated by Rea to contain 1,120,000 tons averaging:

Tons	Au oz./T	Ag oz./T	Zn%	Pb%	Cu%
1,120,000	0.42	21.22	2.89	3.20	1.16

A. ADAMS LAKE B.C.
(MASSIVE SULPHIDE)
REA 100% (267,720 TONS @ .190 OZ/TON
AU, 2.14 OZ/TON AG, 2.25% ZN, 2.14%
PB and .57% CU.)
VALUE: \$46 MILLION CANADIAN.
REA 30%/CFC 70% (1,120,000 TONS @
.042 OZ/TON AU, 21.22 OZ/TON AG,
2.89% ZN, 3.20% PB and 1.16% CU.)
VALUE: \$284 MILLION CANADIAN.

and assembly plants.

Western Data estimates that the successful completion of the development of these products could generate equipment orders amounting in the neighbourhood of \$10 million US.

Ford selected Western Data over six other major computer products companies who also bid for the development of the products. Although a small company, Western Data attributes its successful bid for the work to its past performance and experience with Ford in the development of quality control software programs for Ford.

Ramm Ventures Ltd RAV
Shares issued: 4,177,883 Nov 21 close: \$0.61
Mon 24 Nov 86 Delinquent Filer

The superintendent of brokers advises that the company is delinquent for annual financials dated April 1986.

Rand Ventures Inc RND
Shares issued: 3,210,401 Nov 21 close: \$2.90
Mon 24 Nov 86 Change Name

Mr. Kuang Lu has called a shareholders meeting: To approve a special resolution changing the name of the company from Rand Ventures Inc. to Formosa Resources Corporation.

Rea Gold Corporation REO
Shares issued: 6,181,513 Nov 21 close: \$0.62
Wed 26 Nov 86 News Release

Verdstone Gold Corporation (VGC)

Mr. Larry Reaugh reports:

J.D. Blanchflower has reported that work consisting of geological mapping, linecutting, core logging, trenching and drill access roads have been completed on the CK property. The company plans a minimum of 4,000 feet of drilling on the property to commence within the next few weeks.

In addition to the above the companies have staked 2,000 acres to cover 5 km of additional strike on the mineralized zones. New massive sulphides discovered on the 5 km strike are:

	ZN %	PB %	AG OZ/T
Autumn showing - trenched for 25 m on strike averaging 3 m wide	18.15	1.03	.26
Con showing - over 2.5 m width	11.50	1.82	.20
Spring showing - over .7 m width	24.20	5.27	.16
Horne showing - grab	18.00	4.71	.12

These showings are contained within the 5 km strike length and were obtained where the mineralized structure outcrops close to the surface.

The new 5 km zone lies to the south of the new showing, where prior drilling and trenching indicated a reserve of 1,643,000 tons grading 8.6% Zn, 1.4% Pb and 0.25 oz/ton Ag. The zone

is open along strike and down dip.

Reba Resources Ltd REB
Shares issued: 2,010,880 Nov 21 close: \$0.35
Mon 24 Nov 86 Delinquent Filer

The superintendent of brokers advises that the company is delinquent for interim financials dated August 1986.

Reg Resources Corporation RRE
Shares issued: 3,602,090 Nov 21 close: \$0.45
Mon 24 Nov 86 Company Review

Mr. John Robertson reviews the company:

RAND CAM-ENGINE PROJECT

Reg can earn a 40% interest by building a prototype engine and paying \$35,000. Ballard Research, of North Vancouver, has commenced phase I, an evaluation study to be completed shortly.

The engine has many advantages over the Wankel engine and other reciprocating engines.

CABLE TELEVISION PROJECT

Reg can earn a 49% interest by loaning \$112,500 to Central Cable Vision in order to apply for a license for the Fraser Valley area. Revenue is projected to be \$96,000 per month within three years from start-up.

Cablevision represents one of the more stable businesses and the company is researching the new market areas of the Caribbean, South America and particularly Europe.

A brief summary of the company's mining claims is as follows:

GOLD PROPERTIES

Adams Lake

An agreement with Adams Exploration on these claims was reached wherein \$400,000 is to be spent and payments amounting to \$48,000 is to be paid to Reg over a four year period. Phase I commenced this year.

Casa Berardi Area

An aerial EM and mag survey was carried out by Questor Exploration of Toronto and a ground anomaly was located. Field work has been recommended and will commence shortly.

SILVER PROPERTY

Silverknife Claims

Extensive work has been carried out on these claims, consisting of geophysical and geochemical work with 8,600' of drilling, favourable results were obtained.

The best intersection revealed up to 29 oz silver and 15% lead/zinc combined over 14'.

Further drilling is planned and negotiations with major companies are on the agenda for 1987.

PLATINUM CLAIMS

Reg has acquired several claims in the Tulameen area, near Princeton, B.C.

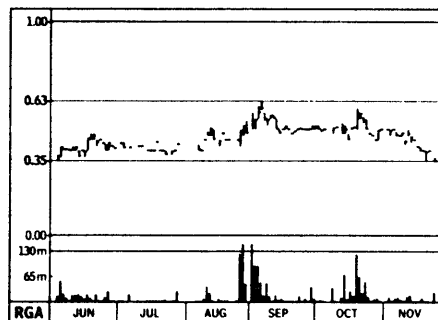
This area is a known platinum producing area. A recent exploration program consisting of geologic mapping, geochemical and rock samples have been completed to date.

Reg Resources Corporation RRE
Shares issued: 3,602,090 Nov 21 close: \$0.45
Mon 24 Nov 86 Change Name

Mr. John Robertson has called a shareholders meeting:

To pass a special resolution changing the name of the company to Reg Enterprises Corp.

Regal Petroleum Ltd RGA
Shares issued: 4,149,414 Nov 26 close: \$0.35



Regal Petroleum Ltd RGA
Shares issued: 4,149,414 Nov 26 close: \$0.35
Fri 28 Nov 86 News Release

Mr. Gerald McIlhargey reports:

Results of the first phase drilling on Regal Petroleum's Swayze, Ontario property have confirmed the presence of substantial thicknesses of low grade gold mineralization. These results were obtained at depth, below similar values encountered during the 1985 drilling program in the shaft area. Typical grades and intervals from the recently completed holes are as follows:

HOLE	FOOTAGE (METERS)	WIDTH (METERS)	AU OZ/T
RG 86-2	92.3-99.4	7.1	0.035
	164.7-176.2	11.5	0.021
	264.5-293.8	29.3	0.020
RG 86-3	230.3-236.6	6.3	0.025
	256.1-259.6	2.5	0.045
RG 86-4	237.2-238.1	0.9	0.087
	243.6-245.7	2.1	0.025
	249.5-270.0	20.5	0.017

An IP survey has been completed over the projected strike extension of the mineralized zone. This outlined two IP anomalies one of which represents the known zone extension and the second a sub-parallel trend possibly related to the new cataclastic zone encountered in the drilling. These new anomalies are considerably stronger than the response generated over the shaft area and area of known mineralization.

Phase II drilling has commenced and is designed to test the strong IP targets along strike of the known mineralized zone and those related to the newly discovered trend.

Regis Development Corp RGD
Shares issued: 3,754,202 Nov 25 close: \$0.10
Wed 26 Nov 86 Acquisition

The VSE has accepted for filing an agreement

REA 82M191

STOCKWATCH NOV 28/86

PROPERTY FILE

GCNL #177 15 SEPT 1986

REA GOLD CORPORATION (REO-V,T;REOGF-Nasdaq)
CORPORATION FALCONBRIDGE COPPER (FCL-T,M)
 DRILLING HAS RESUMED ON - Corporation Falconbridge
 ADAMS LAKE, SILVER ZONE Copper has informed Rea Gold
 Corporation that a 5,000-foot
 drilling program has started on Rea's Adams Lake, B.C.,
 massive sulphide property. Rea's president Larry W.
 Raugh says the program is designed to extend known
 mineralization which measures 700 meters by 2.5 meters
 by 100 meters. The zone is open at both ends & downdip.

82M/4W (082M 191)

GCNL #172 8 SEPT 1986

REA GOLD CORPORATION (REO-T,V,REOGF-Nasdaq)

Hole No.	Width	Oz. Gold/T	Oz. Silver/T	Zinc	Lead	Copper
RG-72	43 ft.	0.004	0.70	1.8%	0.95%	0.07%
RG-73	5	.012	1.75	1.25	.78	.08
RG-74	1.66	.012	1.76	3.02	.98	.94
	2.33	.017	6.77	1.03	.72	.30
	13.33	.035	13.83	2.00	1.10	.45
RG-75	16.41	.013	9.68	4.46	2.99	.68
RG-76	5.25	.007	13.71	2.04	1.28	1.38

Corporation Falconbridge Copper has reported to Rea Gold Corporation the latest drilling results from the recently completed drill program on the Adams Lake property 60 miles east of Kamloops, B.C. The zone is open along strike and down dip and has significant values measuring approximately 700 meters along strike with an average dip of 100 meters over an average 2.7 meters width. (See Map Overleaf)

The second phase of diamond drilling of 5,000 feet is scheduled to start September 11, 1986. (SEE GCNL NO.153,P.1,AUG.11,1986 for previous results.)

82M/4W (082M 191)

82M191
Positive results at Falco Copper Adams Lake bet

Results from a drill program at the Adams Lake property of Corporation Falconbridge Copper in south-central B.C. (N.M., July 21/86) continue to be positive. The latest hole is a 500-ft stepout to RG-65 which assayed 79.9 oz silver, 0.11 oz gold, 9.34% copper, 7.82% zinc and 6.95% lead over 3ft.

Assay results from the most recent hole included 6 ft of 0.039 oz gold, 24.79 oz silver, 0.76% copper and 0.54% zinc plus minor lead in the interval 197.5-203.4 ft. A deeper portion of the hole assayed 0.04 oz gold, 6.94 oz silver, 0.32% copper, 1.96% zinc and 1.16% lead. The property falls under an option agreement with Rea Gold Corp.

N.M. MINER AUG 4 86

GCNL #201 20 OCT 1986

REA GOLD CORPORATION (REO-V,T;REOGF-Nasdaq) 82M/4W (082M 191)
 HIGH SILVER ASSAYS REPORTED - Corporation Falconbridge Copper 70% has reported assays from recent trench and drilling results on the Rea Gold 30% Adams Lake Silver zone located 45 km N.E. of Kamloops, B.C.

Three trenches located 50 meters apart assayed as follows:

TRENCH NO.	WIDTH METERS	OZ. GOLD/T	OZ. SILVER/T	ZINC%	LEAD%	COPPER%
3	3.10M (10ft. 2in.)	0.130	83.28	3.30	17.80	1.84
4	0.85M (2 - 10)	0.324	255.25	1.37	24.98	4.22
5	4.80 (15 - 9)	0.048	79.75	0.82	8.65	1.75

STEP OUT DRILL HOLES ASSAYS:

HOLE NO.	INTERVAL METERS	WIDTH METERS	OZ. GOLD/T	OZ. SILVER/T	ZINC %	LEAD %	COPPER %
77	324-327	3.0M (9ft. 10in.)	0.005	3.20	3.28	1.36	0.43
78	255.2-256.7	1.5 (4 - 11)	0.008	0.60	1.13	0.64	0.18
79	228.6-229.5	0.9 (3 - 0)	0.011	3.65	2.03	1.16	1.75
80	228.2-229.7	1.5 (4 - 11)	0.009	0.41	0.16	0.18	0.04
81	268.4-269.1	0.7 (2 - 4)	0.058	2.79	0.03	0.01	0.03

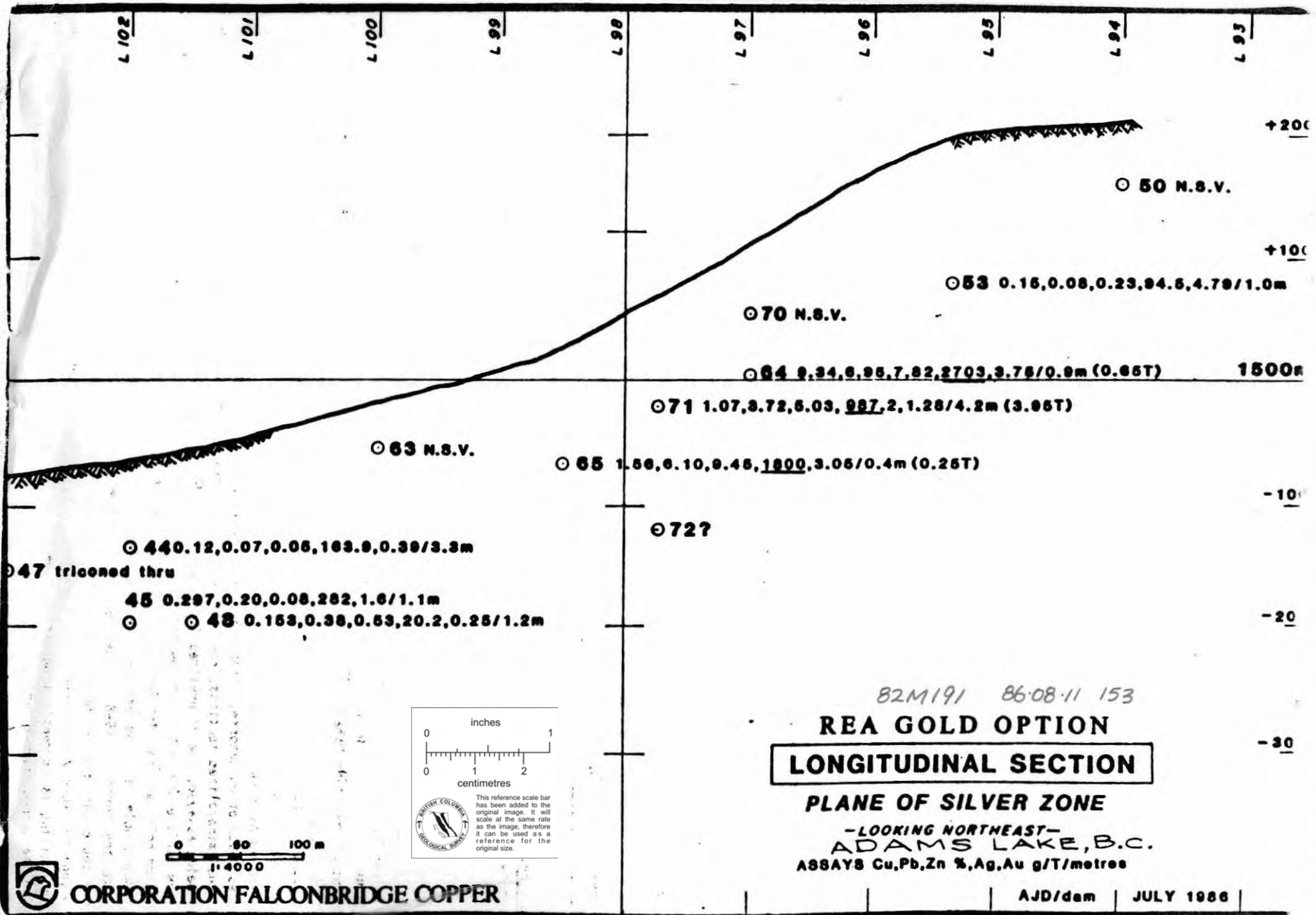
HOLE	INTERVAL, METERS	WIDTH	QZ GOLD/T	QZ SILVER/T	ZINCK	LEADZ	COPPERZ	
* 64	89.45 - 90.35	0.90 M	3'-0"	0.111	78.85	7.82	6.95	9.34
* 65	60.2 - 62.0	1.80 M	6'-0"	0.039	24.79	0.54	0.04	0.76
	66.60 - 66.90	0.30 M	1'-0"	0.047	11.49	0.86	0.05	0.57
	75.95 - 81.00	5.05 M	16'-7"	0.040	6.94	1.96	1.16	0.32
71	104.25 - 108.45	4.20 M	13'-9"	0.037	28.80	5.03	3.72	1.07

*Previously reported

SILVER ZONE AT ADAMS LAKE - Larry M. Reaugh, president of Rea Gold Corporation, reports being advised by Corporation Falconbridge Copper of the results of recent drilling on their 30/70 joint venture property in the Adams Lake area NE of Kamloops, B.C.

Hole No. 71 was drilled between Holes 64 and 65. Holes 63 and 70 were drilled up dip (SEE DIAGRAM OVERLEAF) on the Silver zone but did not intersect

significant mineralization. Hole 68 was drilled to test the N.W. extension of the Silver zone and intersected minor sphalerite, tetrahedrite and galena over 5 meters. Hole 69 was drilled further to the northeast and intersected hanging wall sediments. Hole 72 is being drilled to test down dip from 71. Holes 66 and 67 were drilled 1800 meters northwest and on strike from the main Rea horizon. No. 67 cut 0.9 meter of mineralization, assays are awaited.



CORPORATION FALCONBRIDGE COPPER

AJD/dam JULY 1986

GWL #135

15 JULY 1986

82M/4W (082M 191)
AR, HN**REA GOLD CORPORATION (REO-V, T: REOGF-Nasdaq)**

Hole	Interval	Oz. Gold/T	Oz. Silver/T	Copper %	Zinc %	Lead %
RG-64	3 Feet	0.110	78.90	9.34	7.82	6.95

RICH ASSAY REPORTED - Larry W. Reaugh, president of Rea Gold Corp. reports being advised by Corporation Falconbridge Copper that significant massive sulphides were encountered in the gap on the Silver Zone on Rea's Adams Lake, B.C. property NE of Kamloops, B.C. Hole RG-64 encountered rich massive sulphides over 3 ft. (0.9 meters from 89.45 to 90.35 meters).

Rea Gold calculates the gross value is \$660 U.S. per ton, about \$906 Cdn. at the current exchange rate of about \$1.3725 Cdn. per \$1 U.S. Hole RG 64 was drilled some 160 m (525 ft.) east on strike from Hole 53n which averaged 0.169 oz/gold/t & 3.33 oz. silver/t over 1 meter. The current drilling is on the Silver Zone which has a known strike length of 2.5 kilometers. Drilling is continuing 150 meters NW of Hole 64.

MINER

21 July 1986

Impressive hole for Rea Gold Corp.

VANCOUVER - A fairly narrow, but impressive, massive sulphide intersection has been made by Corporation Falconbridge Copper on its Adams Lake prospect, in southern B.C. The property falls under an agreement with Rea Gold Corp., a Vancouver company which has been exploring a nearby deposit, also with encouraging results.

According to Falconbridge Copper, RG-64 intersected 3 ft of 0.11 oz gold, 78.9 oz silver, 9.34% copper, 7.82% zinc and 6.95% lead from the interval 293.4-296.4. The hole is a 525-ft step-out from hole no. 53, which averaged 0.169 oz gold and 3.3 oz silver across 3.3 ft.

David Watkins, Falconbridge Copper's exploration manager for western Canada, tells The Northern Miner the zone is parallel to the horizon that hosts the Rea Gold deposit but it's about 1,650 ft stratigraphically in the footwall and to the northeast.

The company has been working on the zone for more than a year and has established some continuity over a known strike length of 1.5 miles, he confirms. Apparently the geology is similar to Rea Gold and the new zone could be a fault or fold repeat - something he admits is still highly speculative. The big difference lies with the mineralization. The Rea Gold deposit is massive pyrite and arsenopyrite (about 20%) but the new discovery contains tetrahedrite, sphalerite and galena, with not much arsenopyrite - an important difference.

One machine is drilling at the moment and it has another 2,600 ft to go in the current program, which will be expanded by about 1,500 ft, he says. Another hole is being put down 500 ft northwest of hole no. 64 and the results will be reported when available. Mr Watkins says the structure is complex and that

topography makes drilling difficult.

Rea Gold President Larry Reaugh says underground exploration could begin later this year on the company's adjoining gold deposit, which contains 267,000 tons and grades 0.19 oz gold, 2.14 oz silver, 2.3% zinc, 2.14% lead and 0.53% copper. The company is looking at a bioleaching method to extract the gold but no formal agreement has been reached to utilize the technology. An option agreement with Falconbridge for that was renegotiated and the original lenses were returned to Rea Gold. The deal involved an area of about 2,000 ft by 1,000 ft to a depth of 325 ft, with Falconbridge retaining a small royalty. In exchange, Rea gave Falconbridge the right to earn 100% in the remainder of the play subject to Rea Gold reserving the right to back in for a 20% working interest if Falconbridge makes a production decision.

GWL #131

9 JULY 1986

HN, AR,

TWIN

BIG BEN RESOURCES INC. (BGB-V)**EIGHT GOLD PROJECTS** - Leslie M. Hart, president of Big**TO BE WORKED IN 1986**

Ben Resources, has announced an

agreement with Corporation Falconbridge Copper and Chevron Minerals Ltd. for the joint exploration of Falconbridge's gold project in the Adam's Plateau area, about 50 miles north of Kamloops, B.C.

Falconbridge will remain as operator. Chevron and Big Ben must provide \$1,000,000 over three years to earn a 50% interest. Chevron and Big Ben will earn equal interest. Work to-date has identified a number of areas for follow-up drilling. A \$200,000 program will start immediately.

On June 5, 1986, Big Ben announced the joint-venturing of four high-quality gold projects from two other majors, Brinco Limited and Suncor Resources of Calgary. Big Ben is also participating in three additional gold projects, two in the La Ronge gold belt, Saskatchewan, and the third in Washington county, Idaho.

Total 1986 budget for the eight gold projects is in excess of \$1,500,000.

MINER

14 JULY 1986

Falco Copper drills Adams Lake claims

Diamond drilling has resumed on ground held by Rea Gold Corp. and optioned to Corporation Falconbridge Copper, the former company reports. Located 40 miles northeast of Kamloops, B.C., the Adams Lake property hosts reserves of 267,720 tons grading 0.19 oz gold per ton, 2.1 oz silver per ton, 2.2% zinc, 2.1% lead and 0.52% copper in three zones.

Falconbridge is drilling the Silver zone, filling in a 2,100-ft gap between two wide spaced holes which cut economic grades of gold and silver mineralization. The Silver zone has a strike length exceeding 1.5 miles. 82M191(4W)

MINER

21 July 1986

\$1.5 m. budget for Big Ben

Vancouver-based Big Ben Resources says it has a budget of \$1.5 million this year for eight gold projects, all of which will be tested by diamond drilling this season.

Latest of these projects is an agreement with Corporation Falconbridge Copper and Chevron Minerals for the joint exploration and development of Falconbridge's large gold project in the Adam's Plateau area, about 50 miles north of Kamloops, B.C. 82M191(4W)

On the project, which has been under exploration by Falconbridge since 1984, Falconbridge will remain as operator, with Chevron and Big Ben set to spend \$1 million over three years to earn a 50% interest, equally divided.

Leslie Hart, Big Ben president, says work to now on the property has identified a number of high-priority target areas warranting detailed follow-up and drilling. He said a \$200,000 program was to have been started immediately.

Earlier, Big Ben had announced the joint-venturing of four other gold projects from Brinco Ltd., and Suncor Resources.

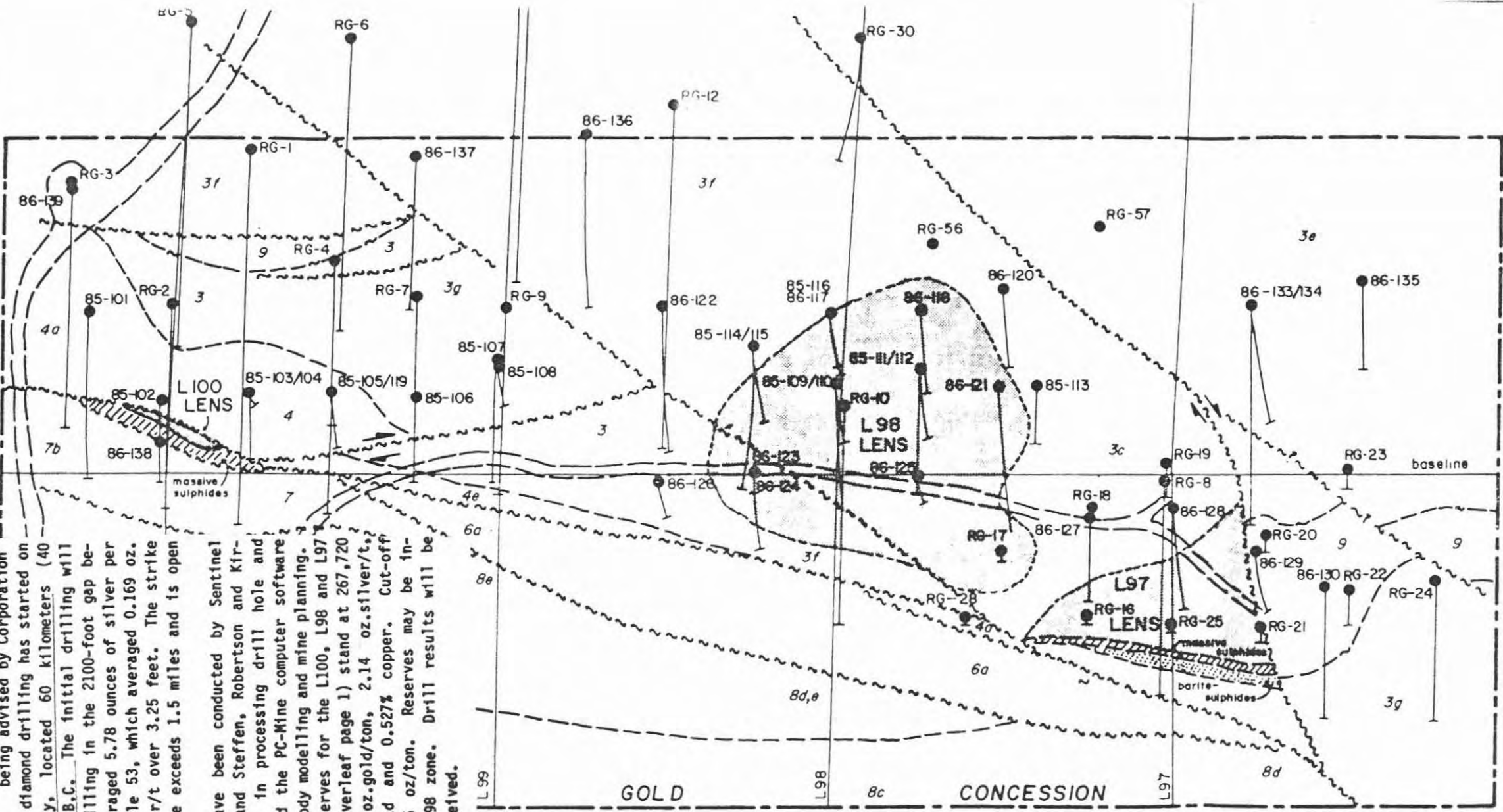
Big Ben is also participating in three additional gold projects, two in the La Ronge gold belt in northern Saskatchewan and the third in Washington County, Idaho.

CALL #131 JULY 1986
80 M191 (4W)

REA GOLD CORPORATION (REO-V,T) (REOGF-Nasdaq)

DIAMOND DRILLING RESUMES - Larry M. Reaugh, president of Rea Gold Corporation reports SOME RESERVES CALCULATED being advised by Corporation Falconbridge Copper that diamond drilling has started on the Adams Lake property, located 60 kilometers (40 miles) NNE of Kamloops, B.C. The initial drilling will be on the Silver Zone filling in the 2100-foot gap between Hole 44, which averaged 5.78 ounces of silver per ton over 11 feet, and hole 53, which averaged 0.169 oz. gold/t and 3.33 oz. silver/t over 3.25 feet. The strike length of the Silver Zone exceeds 1.5 miles and is open to the northwest.

Reserve studies have been conducted by Sentinel Management Corporation and Steffen, Robertson and Kirsten (B.C.) Inc., who, in processing drill hole and trench sample data, used the PC-Mine computer software system designed for orebody modelling and mine planning. Drill indicated reserves for the L100, L98 and L97 zones (see map diagram overleaf page 1) stand at 267,720 tons averaging 0.190 oz. gold/ton, 2.14 oz. silver/t, 2.24% zinc, 2.14% lead and 0.527% copper. Cut-off grade of gold was 0.05 oz./ton. Reserves may be increased up-dip on the L98 zone. Drill results will be reported as they are received.

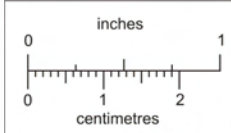
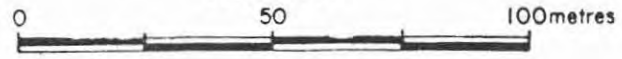


REA GOLD CORPORATION

ADAMS LAKE PROPERTY, B.C.

GEOLOGY and DIAMOND DRILLING
of the REA HORIZON

Scale: 1:1500



This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.



Big programs dominate exploration in B.C.

Mineral exploration in British Columbia for 1985 can be summed up in three words: gold, gold and gold (with a few pieces of silver and the odd lump of coal thrown in for good measure).

The total number of claims recorded by year's end is estimated to be in the neighborhood of 59,000, as compared to 81,729 recorded during 1984. Placer leases are estimated to reach a total of 705, as compared to 641 for 1984. Coal license applications are estimated at 175, as compared 227 for 1984.

Notwithstanding the considerably lower number of claims staked, exploration expenditures are expected to reach \$66.4 million in hard rock and \$12.8 million in coal for a total of \$79.2 million. Respective figures for 1984 are \$71.2, \$11.7 and \$82.9 million. These figures indicate that considerable funds were expended in major exploration programs. The Toodoggone camp alone is estimated to have been the target of expenditures totalling more than \$6.5 million by six main operators and several smaller ones. Other major programs were carried out at Muddy Lake, Windy Craggy-Mt. Henry Clay, Midway Stewart, Cassiar, Mt. Klappan, Bralorne, Hedley and Aylwin Creek (Willa).

Although a number of major mines continued to remain closed indefinitely, the year also saw some welcome developments. Bell Copper reopened September 24 and Mosquito Creek Gold Mine reopened in July. On Vancouver Island, Westmin Resources in September commissioned its new H. W. Mine and mill at a cost of \$250 million. Blackdome Gold Mine is in an advanced stage of construction, and production is expected by mid-1986 at 180 tonnes per day. Other major mineral and coal deposits are at a stage of advanced exploration or early development.

Gold and silver were actively sought throughout the province in a variety of deposit types, the most important of which are:

- Epithermal deposits.

- Replacements along faults with precious metals associated with listwanites and extensive silica-carbonate alteration.

- Volcanic massive sulphide deposits.

- Bulk mineable porphyry deposits are deposits transitional between volcanogenic massive sulphides and porphyries.

- Gold-bearing skarns.

- Manto-type replacement deposits with silver, lead, zinc mineralization.

Beginning with the most common precious metal target, epithermal deposits, by far the busiest area was the Toodoggone camp, 300 km north of Smithers. Gold-silver mineralization here occurs along the central axis of a 100 km x 20 km belt of early Jurassic subaerial andesitic volcanics and associated intrusives, known as the Toodoggone volcanics. The distribution of deposits is strongly controlled by northwesterly-trending faults. Related hydrothermal alteration includes extensive propylite, clay and silica alteration. The systems fit well into the classic epithermal model of Buchanan, and local hot spring discharge sites have been recognized in several places, particularly in the Alberts' Hump area where

gold is associated with intense silica-barite replacements.

The most important deposit in the Toodoggone camp so far is the Lawyers deposit of Serem Inc., with

reserves in excess of 82,000 tonnes grading 7.2 grams per tonne Au and 254 grams per tonne Ag. Gold at Lawyers is mostly found in a

spectacular amethyst-gold breccia which occurs in veins and replacements along faults and shears. Serem is expected to file a Stage I report and a final feasibility report soon.

Other important epithermal deposits in the area include Silver Pond, very close to Lawyers, the Alberts' Hump deposits, Shas and Chappelle, the site of the recently closed Baker Mine.

An important factor in maintaining a high level of interest in this remote area has been the provincial government's decision to extend the Omineca Resource Road 45 miles into the area from its present terminus at Moosevale Flats, depending on a production decision by Serem.

Another important area of epithermal gold-silver deposits is the old Stewart gold camp. Here Westmin Resources has outlined 3.89 million tonnes of pittable material grading 2.93 grams per tonne Au and 110.4 grams per tonne Ag mainly within the Glory Hole area of the old Silbak Premier mine. At the nearby Prosperity-Porter Idaho property, Teck Corp., under option from Pacific Cassiar is working on 898,000 tonnes on three major vein structures grading 668 grams per tonne Ag.

A number of other promising epithermal prospects are under investigation in the Stewart area. Of particular interest is the Sulphurets area, some 80 km northwest of Stewart, where spectacular values in gold and silver are found in epithermal veins which are strongly structurally controlled and are associated with extensive quartz-carbonate alteration in Lower Jurassic sandstones, intermediate fragmental volcanics and intrusives. Large, low-grade deposits (18-22 million tonnes of 2.74 grams per tonne Au) transitional to the porphyry type are also found in this area.

A third area of important epithermal vein gold mineralization in the north is in the Cassiar camp, where Erickson Gold Mines, under option with Cusac Industries has outlined what is so far the strongest gold-bearing structure in this camp. The Eileen veins have been traced for more than 335 metres with widths ranging from one to two metres and grades averaging 23.3 grams per tonne Au.

In the southern part of the province the old Bridge River-Bralorne camp is being intensely explored for epithermal to mesothermal

Silver
460-46
(11)

94E056
(10)

Eileen
1044576
(14)

gold-bearing veins by a number of companies, the most active of which include Levon Resources, X-Calibre Resources and Mascot Gold Mines which has drill-indi-

cated 892,000 tonnes grading 10.3 grams per tonne Au at the Bralorne mine.

Last but by no means least in the series of successful epithermal gold discoveries is **Blackdome Mines**. Here, bonanza-type gold mineralization occurs in several strong and very continuous epithermal quartz veins cutting felsic to intermediate subaerial Eocene flows and pyroclastics. Reserves are 185,000 tonnes grading 27.2 grams per tonne Au and 128.9 grams per tonne Ag. Plant construction is under way, and production is expected by mid-1986 at 180 tonnes per day.

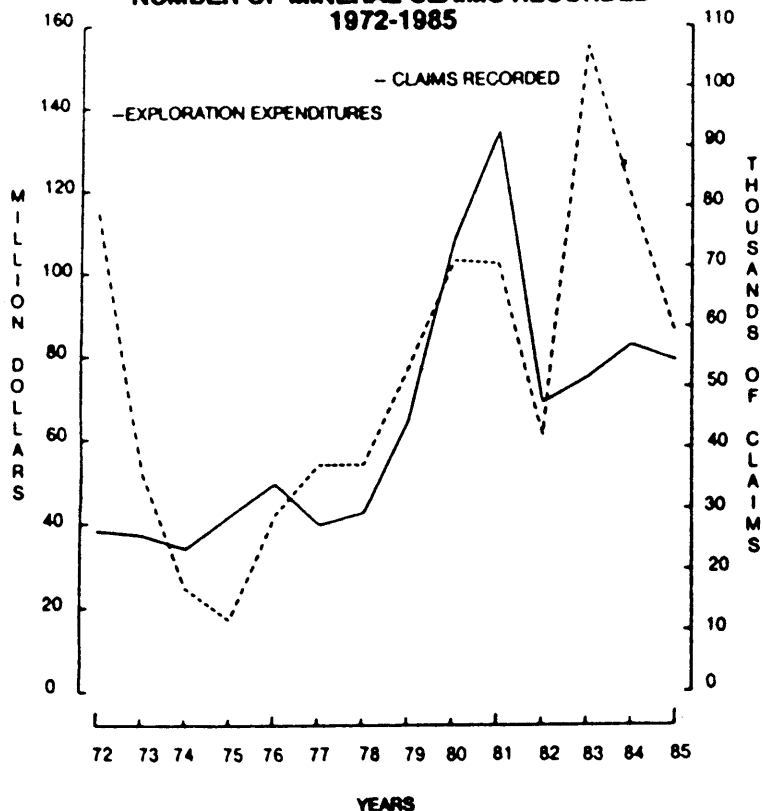
Another popular target for precious metal deposits are replacements, mostly along major faults, with "no seeum" gold and silver associated with extensive silica-carbonate alteration and the development of listwanites. The Muddy

Lake deposit of **Chevron Minerals** is in the Tatsamenie Lake area, 135 km southwest of Dease Lake. Mineralization occurs in a number of zones along the faulted contact between Permian limestone and pre-Upper Triassic volcanics. Reserves and grades of this significant deposit may be released by Chevron in early 1986.

A third major target and opportunity are volcanogenic polymetallic massive sulphides. At **Western Mines** on Vancouver Island, **Westmin Resources** has just commissioned its H-W mine and mill at a cost of \$250 million. This recently discovered deposit is hosted in Upper Paleozoic felsic volcanics of the Sicker Group and has reserves of 13.6 million tonnes grading 2.4 grams per tonne Au, 36.0 grams per tonne Ag, 2.2% Cu, 0.33% Pb, and 5.3% Zn and is open in three directions.

The discovery of this magnificent deposit has sparked a major exploration effort in the Sicker Group of Vancouver Island. In this respect the Mt. Sicker-Mt. Brenton area near Chemainus has seen a lot of activity by a number of companies, particularly in view of the discovery in December, 1984, of a new massive sulphide zone by **Aberford Resources** on its Lara property. This zone, known as the Coronation Zone, has been traced for more than 1,300 ft, has an average width of 6.4 metres and grades of 1.71 grams per tonne Au, 38.4 grams per tonne Ag, 1.98% Zn, 0.44 Cu

EXPLORATION EXPENDITURES AND NUMBER OF MINERAL CLAIMS RECORDED 1972-1985



and 0.36% Pb. Other companies active in the Sicker belt include **Corporation Falconbridge Copper** on nearby Mt. Sicket, **Westmin Resources**, **Kidd Creek Mines**, **Utah Mines**, **Falconbridge Ltd.**, and others.

In the vicinity of Adams Lake, **Corporation Falconbridge Copper** continued work on the Rea Gold deposit. This polymetallic-barite deposit and the similar Homestake deposit nearby occur in intermediate to felsic Devonian-Mississippian metavolcanic rocks of the Eagle Bay formation. Reserves are 120,000 tonnes grading 18.2 grams per tonne Au, 141.2 grams per tonne Ag, 0.85% Cu, 4.11% Zn and 3.67% Pb in two separate lenses.

In the extreme northwest corner of the province at Mt. Henry Clay,

Stryker Resources and other companies, including **Bear Creek Mining** on the U.S. side of the border, continue their search for the source of very impressive Zn-Cu-Ag-Au-barite massive sulphide boulder float.

The Windy Craggy deposit is located a few miles northwest of Mt. Henry Clay. The deposit has affinities with Cyprus and Besshi-type massive sulphide deposits,

occurs in a thick sequence of Norian pillow basalts and has reserves estimated at 300 million tonnes averaging 1.5% Cu and 0.08 Co.

The Reg deposit of **Skyline Resources**, 70 miles northwest of Stewart, is also polymetallic, with affinities to volcanogenic massive sulphides. Drill-indicated reserves to date are 506,200 tonnes grading 17.48 grams per tonne Au.

82M191
(4W)

21072
HW

92B110
(13W)

GC#102 28MAY1986 82M/4W

ASSAY RESULTS

REA GOLD CORPORATION (REO-V,T; Nasdaq-REOGF) Rea, AR
 EXPLORATION RESUMED AT ADAMS LAKE, B.C. - Corporation HN
 Falconbridge

D.D.H.	OZ. GOLD/T	OZ. SILVER/T	COPPER%	LEAD%	ZINC%	WIDTH
35	0.007	1.09	0.39	1.14	5.14	0.15 m.
36	0.010	0.61	0.04	0.56	0.39	1.9 m.
37 x	-	-	-	-	-	-
37	0.010	5.93	0.38	0.92	1.59	2.7 m.
39	0.004	1.59	0.15	0.11	0.38	3.15 m.
40	0.010	17.67	1.005	2.16	3.02	0.9 m.
42 .	0.014	4.25	0.332	0.08	0.10	1.5 m.
42	0.007	0.45	0.053	0.19	0.32	1.5 m.
44	0.014	5.78	0.012	0.07	0.05	3.3 m.
45	0.056	9.95	0.297	0.20	0.08	1.1 m.
47	-	-	-	-	-	-
48	0.009	0.71	0.153	0.38	0.53	1.2 m.
49 x	0.002	0.36	0.28	1.45	1.30	1.6 m.
50 x	0	-	-	-	-	-
50 .	0.007	0.85	0.056	0.76	1.43	0.85 m.
50	0.01	1.98	0.09	0.80	1.04	3.15 m.
51 x .	-	-	-	-	-	-
51	0.001	0.42	0.25	1.0	1.35	0.9 m.
51 x	0.007	0.92	0.094	1.43	2.82	1.4 m.
53 .	0.169	3.33	0.15	0.08	0.23	1.0 m.
52	-	-	-	-	-	-
53	0.008	0.92	0.629	2.30	4.49	0.4 m.
55 x	0.071	1.89	0.307	1.0	2.69	1.02 m.

Copper have informed Rea Gold Corporation that exploration crews will be on the Adams Lake property by 1 Jun 86. The initial program will include mapping, soil sampling and down-the-hole UTEM surveys to follow up recently completed geophysical surveys which have revealed additional conductors on the extensions of the known mineralized zones. This work is preparatory to further diamond drilling.

The priority drill target is on the silver zone (SEE MAP OVERLEAF) between Hole 44 (high grade zone assayed 5.78 oz/ton silver over 10ft. 9 inches) and Hole 3 (which assayed 0.169 oz/ton gold and 3.33 oz/ton silver over 3 ft. 3 inches). The undrilled area has a strike length in excess of 2,100 feet. The total strike length of the silver zone is in excess of 1.5 miles and contains significant gold, silver, lead, zinc and barite mineralization. The geology is similar to the Rea Gold concession where the L97, 98 and 100 massive sulphide lenses were discovered. The detailed drilling will be required to define economic zones as the (1.5 mile) strike length has only 16 drill hole tests to date.

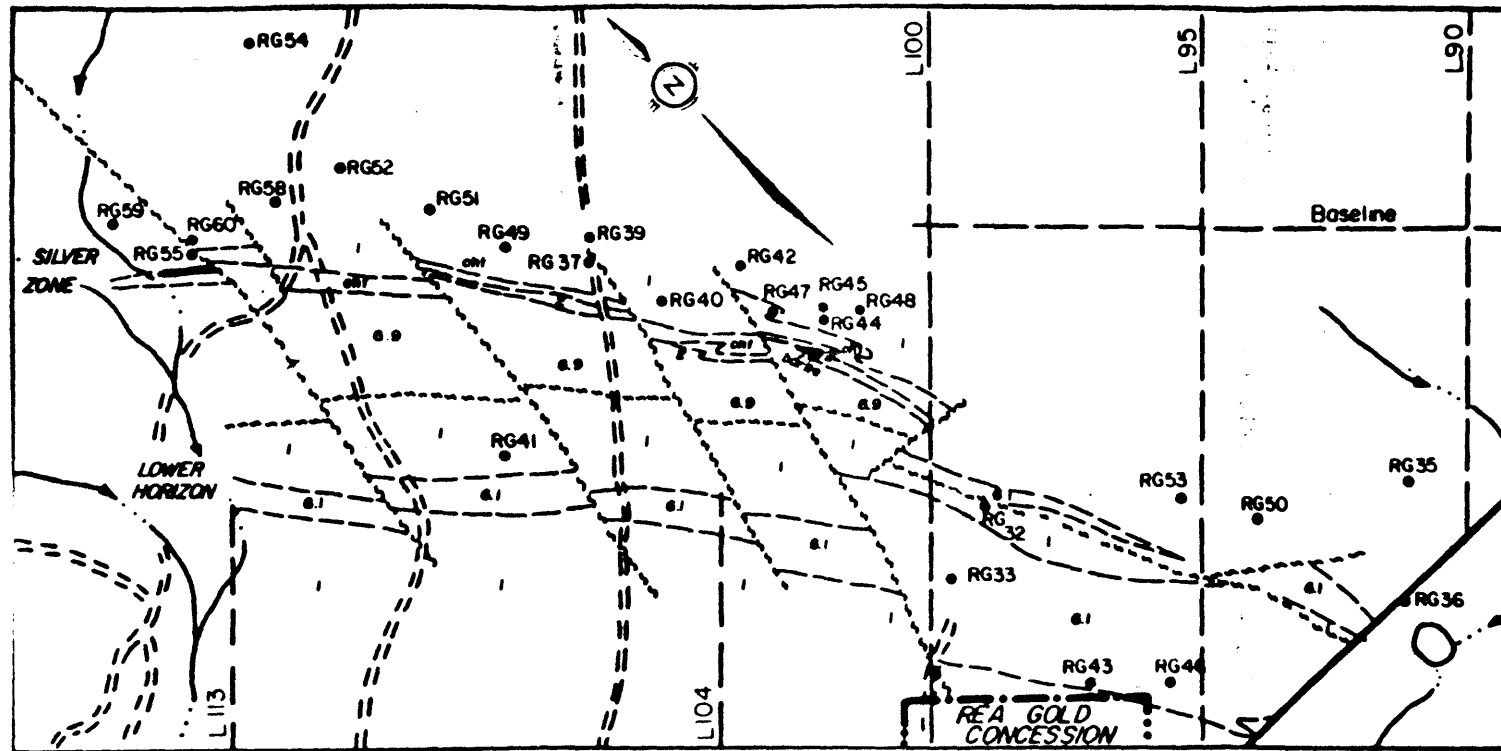
MINER 23 JUNE 1986

CFC explores Adams Lake

Corporation Falconbridge Copper has informed Rea Gold Corp that exploration has been started on the Adams Lake, B.C., property. The initial program will include mapping, soil sampling and down-the-hole utem surveys to follow up recently completed geophysical surveys which have revealed additional conductors on the extensions of the known mineralized zones. This work is preparatory to further diamond drilling.

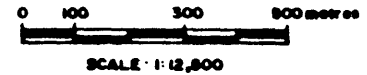
CFC has informed Rea that the priority drill target is on the Silver zone between hole 44 and hole 53. The undrilled area has a strike length in excess of 2,100 ft. The total strike length of the zone is in excess of 1.5 miles and contains significant Au, Ag Pb, Zn and Ba mineralization.

82M/4W (082M/191) AR, HN, Rea

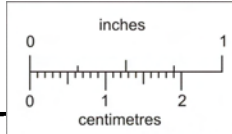
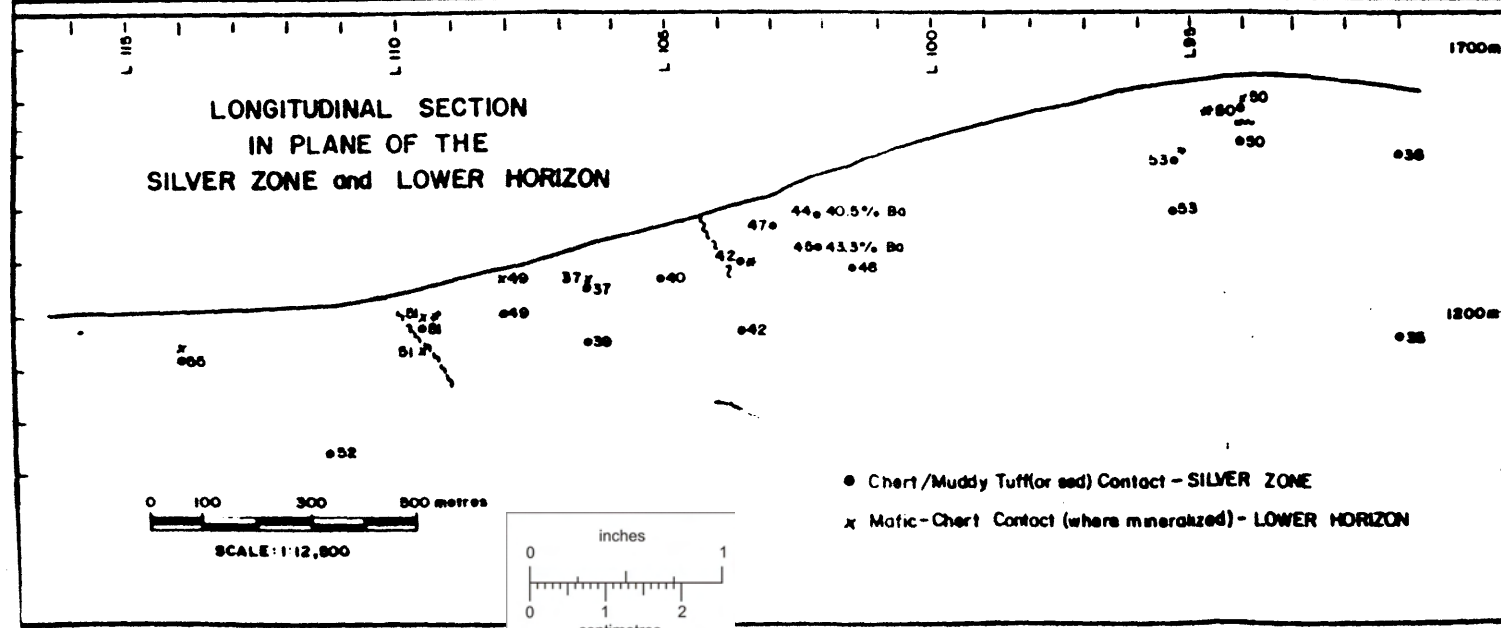


REA GOLD CORPORATION
ADAMS LAKE PROPERTY
 (optioned to Corporation Falconbridge Copper)
GEOLOGY and DIAMOND DRILLING
 of SILVER ZONE and LOWER HORIZON

- LEGEND -
- 1 mafic volcanics
 - 2 intermediate volcanics
 - 3 felsic volcanics
 - 4 mafic intrusion
 - 5 felsic intrusion
 - 6 sediment
 - 6.1 - chert, ribbon chert
chert breccia
 - 6.9 - coarse washes & grits;
& sandstones



(after C.F.C. 1986)



This reference scale bar has been added to the original image. It will scale at the same rate as the image, therefore it can be used as a reference for the original size.

GCNL #57 21 MARCH 1986 AR, HN, Rea 82M/4W (082M 191)

REA GOLD CORPORATION (REO-V,T; REOGF-Nasdaq)

CORPORATION FALCONBRIDGE COPPER (FCL-M,T)

HOLE	INTERVAL, METERS	WIDTH		OZ. GOLD/T	OZ. SILVER/T	ZINC %	LEAD %	COPPER %	DRILL ASSAYS REPORTED
86-128	54.5-55.00	0.5m	1.6ft.	0.350	1.13	3.80	2.73	0.42	Larry W. Reaugh, president of Rea Gold Corporation, reports the final assays from their winter diamond drill program at Adams Lake, B.C. In total, 10,000 feet of diamond drilling was completed on the 100% owned 20-acre concession with the discovery
86-139	32.3-33.80	1.5	5.2	0.040	0.10	0.62	0.36	0.17	
	50.8-51.10	0.3	1.0	0.170	0.23	N/A	N/A	N/A	
86-122	68.4-69.6	1.2	3.9	0.037	0.01	0.12	0.06	0.01	
86-126	28.0-29.3	1.3	4.3	0.091	0.90	1.14	0.71	0.22	
	31.2-35.2	4.0	13.1	0.033	0.32	0.52	0.60	0.06	
	36.7-38.2	1.5	4.9	0.065					
86-130	30.2-30.9	0.7	2.3	0.038					
RG-56	110.0-111.4	1.4	4.6	0.036	0.41	2.25	0.84	0.16	

of a new massive sulphide body north of the RG-8 orebody. To date, Corporation Falconbridge Copper has completed about 28,000 feet of diamond drilling on the property.

MINER 31 MARCH 1986

Falconbridge to drill Adams

VANCOUVER — Additional drilling is planned by Corporation Falconbridge Copper on Rea Gold's Adams Lake property near Kamloops, B.C.

The program will cost \$225,000 and begin after the snow clears. Target areas will include the new Silver zone and the southerly strike

of the Discovery zone, says Larry W. Reaugh, president of Rea Gold.

Falconbridge has the right to earn a 100% interest in the Adams Lake property but Rea can back in for 30% or take a 12.5% net profits interest at production.

Rea will retain a 100% interest in the Discovery zone orebodies which comprise approximately 20 acres on the 6,000-acre property. Ore in this zone, while high grade, is also very refractory and contains about 6% arsenic. The precious metals content is split between pyrite and arsenopyrite and Falconbridge felt that Rea was in a better position to develop the reserve inventory, given its small size.

Falconbridge was required to spend \$2 million by December, 1988, but that option agreement has been revised and the company will spend the remaining \$800,000 on other areas of the property over three field seasons.

AR, HN, Rea
82M/4W
(082M 191)