

Rea Gold & Falconbridge Continue To Expand Adams Lake Ore Reserves

by Sam Stone

*HW, AR, Twin
82M 19W
(082M 191)*

The ongoing drill program being operated by Rea Gold's joint venture partner Corporation Falconbridge Copper, continues to encounter significant gold, silver and base metal mineralization in the massive sulphide property at Adams Lake, 40 miles northeast of Kamloops, British Columbia.

At the beginning of December, Falconbridge reported it had drilled 14 holes on the new silver zone, one half mile northeast of the Discovery Zone. The drill program has indicated a minimum strike length of 2.5 kilometres which is open to the north and south down-dip. Grid lines for geophysics and geochemistry are being extended to the north of the Silver Zone.

During this same period Rea Gold started a 4,000 foot drill program on its 100% owned Discovery Zone at Adams Lake to test 1,500 feet of strike and to define the existing ore bodies, where drill indicated reserves so far are 150,000 tons averaging 0.43 ounces of gold, 3.50 ounces of silver, 0.70% copper, 3.60% zinc and 3.10% lead.

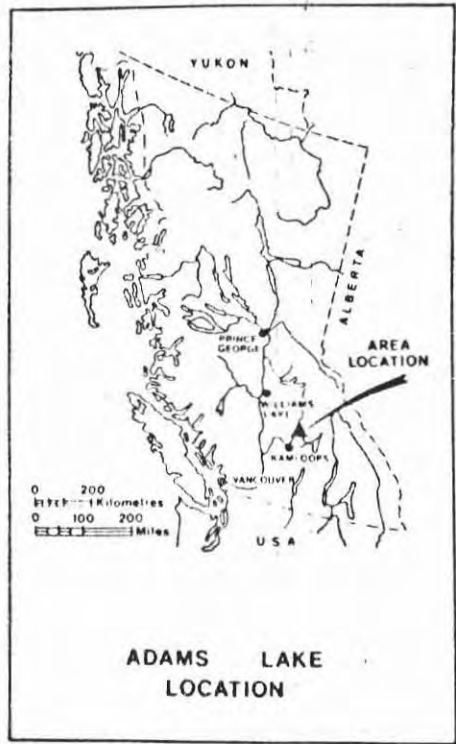
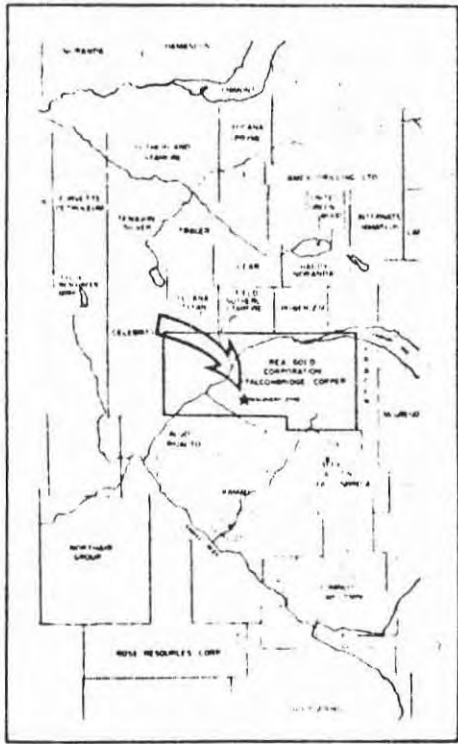
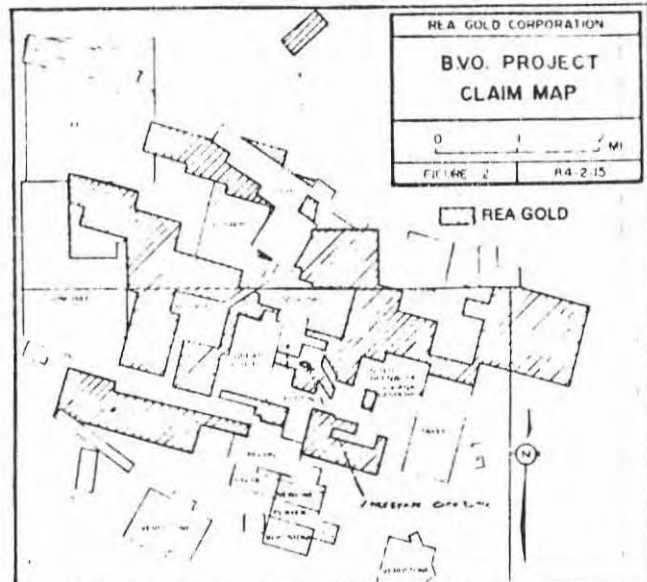
In addition to the Adams Lake property Rea Gold has interest in six other metal properties. The Bronco-Verdstone-Oakland property in Arizona is being joint ventured with Lincoln Resources. Exploration continues to define and extend the mineralized zones. Values obtained so far indicate an average grade of 0.15 ounces of gold and 1.95 ounces of silver from this property which is amenable to open pit mining.

The Red Hill property, 12 miles south of Cache Creek, B.C. is a joint venture with B.P. Selco which may earn a 51% interest in the property by expending \$1.5 million on exploration by November 1988.

Rea Gold has a 60% interest in the 6,500 acre Mount Roach property eight miles west of Lytton, B.C. The 40% joint venture partner is Vancouver-based Yucatan Resources. Exploration has identified a strike length of 5,200 feet through a vertical depth of 1,200 feet.

The 100% owned Tillicum property is located 13 miles south of Nakusp, B.C. Exploration has located eleven geochem and geophysical anomalies.

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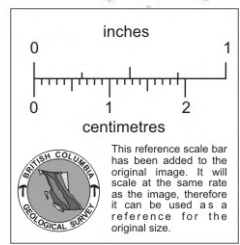


Rea Gold is operator of the Bella Vista-Montezuma gold property in Costa Rica. This is a joint venture of Midland Energy, a sister company. Proven and probable ore is in excess of 340,000 tons averaging 0.275 ounces of gold and 0.33 ounces of silver per ton with possible

reserves of 2.2 million tons of 0.42 ounce gold. Work continues on the property to extend the reserves and grades.

For further information contact: Mr. Larry Reaugh, Suite 501, 808 Nelson Street, Vancouver, B.C. V6Z 2H2.

February '86 Prospector & DEV. MAG



FALCO COPPER

Since its inception in 1976 the strategy of the exploration group of Corporation Falconbridge Copper has been to acquire large property positions, with favorable geology, surrounding its various operating divisions and to explore these properties thoroughly to depths as great as 1,500 m where warranted.

In Quebec, exposure to more grassroots type exploration was obtained through joint ventures — particularly with controlling shareholder Falconbridge Ltd. In the Sturgeon Lake area the company's property position was very restricted and more regional exploration was undertaken in north-western Ontario. Relatively smaller programs were carried out in B.C., and also in the western U.S., through a wholly-owned subsidiary, Nevcan Exploration Inc.

In 1985, the corporation's surface exploration expenditures totalled \$11.9 million, compared with \$8.7 million in 1984, whilst underground exploration and feasibility studies totalled \$13.9 million, (\$10.9 million in 1984), for a total of \$25.8 million. Flow-through share issues provided \$14.1 million for eligible programs.

Major projects included:

(1), the successful completion of the Winston Lake underground exploration-delineation program which substantially confirmed reserves indicated by surface drilling (3.1 million tonnes at 1.0% copper, 16% zinc, 30 g silver per tonne, 1 g gold per tonne, compared with 2.68 million tonnes at 0.9% copper, 17.8% zinc, 25 g silver, and 0.85 g

gold per tonne;

(2), an underground exploration joint venture with Falconbridge Ltd. at the Callahan gold property at Val d'Or;

(3), a detailed re-evaluation of the Mobrún deposit in the Noranda District, and

(4), substantial progress in sinking a deep shaft to explore and delineate the Ansil high grade copper deposit (financed by a conditional grant from the Quebec Minister of Energy and Resources.)

Major diamond drilling programs were also completed in the Chapais area on the Diana Resources option and also at the Opemiska Division mines, on the Beauchastel Copper-Norex option south of the Lac Dufault Division's Corbet mine — all in Quebec; on the Swell Bay properties near Fort Frances in Ontario, and on the Rea Gold option north of Kamloops, B.C., the Britannia Beach option north of Vancouver and the Mount Sicker properties on Vancouver Island. 923/13

In 1986, \$7 million is budgeted for surface exploration and \$11.4 million for underground exploration, for a total of \$18.4 million.

At the Opemiska Division, which produced over 50,000 oz. gold in 1985, the main emphasis continues to be on gold. Surface exploration of recently-identified gold-bearing structures will be initiated at the abandoned Robitaille mine. Major surface diamond drilling programs will be continued on properties within a 60 km radius of the Division, including properties optioned from Diana Resources and Achetes Resources.

At the Lac Shortt Division underground exploration will be directed along the strike extensions of the ore zone, at depth below the 500 m level and for parallel structures. Exploration of properties in the vicinity of the mine will be accelerated by the Falconbridge/Falconbridge Copper joint venture.

At the Callahan joint venture, adjoining the Kiena Gold Mines property in Val d'Or, the 1,300-m long cross cut to the No. 4 zone should be finished in the second quarter of 1986. Substantial amounts of drilling, drifting and raising will be completed during the second half of the year to

evaluate the gold bearing structures.

At the Lac Dufault Division north of Rouyn, it is planned to stop the Ansil shaft, temporarily, at a depth of 1,372 m in September. Commencing in the last quarter of the year an underground drifting and delineation diamond drilling program from three levels will be carried out over a period of about nine months. The Mobrún deposit, located about 25 km to the east of the Ansil mine, has been optioned to Audrey Resources, which must spend \$5 million on further exploration and development in 1986 to earn a 50% interest.

At the Winston Lake zinc project, north of Schreiber, underground work already contracted will be completed early in the year. Contracted surface work will be completed as the weather permits.

Surface exploration drilling programs are planned in the Winston Lake area and also in the Swell Bay area east of Fort Frances, including the Seine Bay massive sulphide prospect optioned from Canico. HN, AR, Twin 82M/4W (082M 191)

Exploration will be focussed on a large property position in the Adams-Barriere area north of Kamloops.

Over the years Falconbridge Copper's exploration efforts have been directed towards polymetallic massive sulphide deposits although precious metal deposits have received more attention in recent years. Expenditures in 1986 will be directed almost equally between base and precious metals compared with 60:40 in 1985 and 75:25 in 1984. Approximately 75% of total exploration expenditures will be made in the province of Quebec.

Falco

VANCOUVER drilling is planned by Falconbridge Adams Lake loops, B.C.

The program and begin a Target areas Silver zone at

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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.

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Rea Gold's 1984 Adams Lake exploration program finished

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ADAMS LAKE, British Columbia—The 1984 exploration program has been completed on Rea Gold Corp.'s Adams Lake project, the company was informed by Corporation Falconbridge Copper (CFC). Three additional holes were drilled for a total of 1,448 feet.

Hole RG-30 tested a bore hole geophysical response down dip of one of the massive sulphide lenses and intersected approximately 32.5 feet of disseminated to semi-massive sulphides. Assays are pending.

Hole RG-31 was drilled down dip of RG-13 and no significant sulphides were encountered.

Hole RG-32 tested a 6,000-foot coincident geophysical and geochemical anomaly 1,200 feet northeast of the massive sulphide ore bodies. The drill hole penetrated approximately 300 feet of chert and chert breccia horizon and was terminated before entering the definitive footwall. The intersection

contained a 97.5-foot section of disseminated pyrite in the chert breccia that indicated the presence of a new potentially mineralized horizon.

The program was curtailed due to the completion of the 1984 exploration budget. CFC has the right to earn a 51 percent interest in the property by expending C\$2 million in exploration and feasibility studies by May 4, 1986.

Drilling is continuing on Rea Gold's Brunswick Lode, Virginia City, Nevada, property. The first two holes in the program did not encounter the mineralized horizon.

Selco Division—BP Resources Canada Ltd. has completed the seven-hole diamond drilling program on Rea Gold's Red Hill, British Columbia, prospect. The core is presently being split and logged. Mineralized sections from four of the holes are being submitted for assays. Results are pending.

* 1986

New silver zone on Adams Lake, B.C.

Corp. Falconbridge Copper has informed Rea Gold Corp. that a new silver zone with a strike length of 2.5 km has been encountered on the Adams Lake, B.C., property.

Out of 16 diamond drill holes, 14 encountered significant mineralization over the 2.5-km strike length. The zone, reports Rea Gold, is open at both ends.

A 3-ft. intersection in Hole RG-40 averaged 14.62 oz. silver, 0.009 oz. gold per ton, 1.01% copper, 3.02% zinc and 2.16% lead.

Hole 37 returned an 8.5-ft. intersection averaging 5.4 oz. silver, 0.009 oz. gold per ton, 0.38% copper, 1.59% zinc and 0.92% lead.

Hole-39 returned a 10.3-ft. intersection of 1.32 oz. silver, 0.009 oz. gold per ton, 0.15% copper, 0.38% zinc and 0.11% lead.

Meanwhile, Rea Gold, reports results on their most recent drilling on the original discovery area, recently returned to the company by Corp. Falconbridge Copper.

Drill Hole RG 113 returned a 5-ft. intersection which averaged 0.65 oz. silver per ton, 0.019 oz. gold, 0.44% copper, 1.41% zinc and 1.91% lead.

Hole RG 115 returned a 14.6-ft. intersection grading 1.94 oz. silver per ton, 0.131 oz. gold, 0.57% copper, 3.51% zinc and 3.02% lead.

This latter hole is located 81 ft. northwest of hole No. 109 and was drilled at -65°.

Hole RG 116 was lost due to caving in the hole.

The new massive sulphide zone has a minimum strike length of 330 ft. with a minimum dip length of 100 ft. The current drill program will define the up and down dip as well as the strike to the north and the east, Rea reports. Rea also reports that drilling will be conducted on other untested anomalies within its 100% owned concession.

ADAMS LAKE PROPERTY — NORANDA/HARDY JOINT VENTURE

Noranda Explorations Ltd. has advised the company that diamond drilling will begin immediately on the joint venture property, located 1 1/2 km. north of the Rea Gold/Falconbridge - (Hilton) discovery.

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On September 11, Noranda had completed 24.5 km. of line cutting, Genie E.M., Magnetometer, soil sampling and geological mapping. Two anomalies, one - 750 metres long and the other 200 metres, running north - south have been located. These are the target areas for the drilling program.

By the terms of the joint venture agreement, Noranda must spend a total of \$1,000,000 by November 30, 1987, to earn 51%. Noranda has an option to purchase 500,000 shares at a \$1.50 and 1,000 shares at \$3.00 over the next two years.

NW PROSPECTIVE INT 84

HN, AR, TWIN 82M/4W (82M 191)

GCAL #4 7 JAN 1986 AR, HN, Rea 82M/4W (82M 191)

REAGOLD CORPORATION (REG-V; REOGF-Nasdaq) DRILLING WILL RESUME ON ADAMS LAKE, B.C., CLAIMS Larry W. Reaugh, president of Rea Gold Corporation, announces results of the most recent

HOLE	INTERVAL METERS	WIDTH METERS	FEET	OZ. GOLD/T	OZ. SILVER/T	COPPER %	ZINC %	LEAD %
RG 113	75.2-76.7	1.5	5.0	0.019	0.65	0.44	1.41	1.91
RG 115	80.7-85.2	4.5	14.8	0.131	1.94	0.57	3.51	3.02

drilling on their Adams Lake, B.C., massive sulphide property, see table. Hole RG 116 was lost due to caving in the hole. Hole RG 115 is located 25 meters (81 feet) NW of Hole 109 and was drilled at -65 degrees. The new massive sulphide zone has a minimum strike length of 330 feet with a minimum dip length of 100 feet. The current drill program will define the up and down dip as well as the strike to the north and east. Also, other untested anomalies will be drilled within the concession which is wholly owned by Rea.

Rea Gold's aggressive summer exploration program underway

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VANCOUVER, British Columbia—The momentum at Rea Gold Corp. has accelerated as the summer exploration season unfolds.

Larry W. Reaugh, president of Rea Gold, announced June 13 that a C\$400,000 diamond drilling program is scheduled to commence in early July, consisting of 7,500 feet of HQ drilling, on the Brunswick Lode, Sutro Tunnel property. The property is adjacent to a historic producer in the world-class Comstock Lode district, near Virginia City, Nevada.

The Sutro Tunnel claims contain a 4,000-foot strike length of the Brunswick Lode vein with a minimum 100-foot width of low pH and Brunswick vein material. The Occidental Mining Co. mined the Brunswick vein up to Rea Gold's south boundary and the Comstock/Phoenix and Monte Christo Mines produced gold and silver on the north boundary.

Rea's consulting geologist, Douglas Blanchflower, travelled to the Sutro Tunnel property in order to gear-up for the impending drilling program. Rea Gold has purchased its own diamond drill, a Longyear Super 38, at a substantial savings (approximately 30 cents on the dollar). The drill was bought, with its accoutrements, through a receivership sale for a fraction of its costs, and this should help reduce drilling program expenditures.

Work carried out by Rea in 1983 located significant mineralization from 0.010 ounces of gold per ton and 1.82 ounces of silver per

ton to 0.656 ounces of gold and 6.62 ounces of silver per ton over "good widths," according to Rea. The engineering firm of Charlton International estimates the North Brunswick ore zone contains 6,000 to 10,000 tons grading better than 0.10 ounces of gold and 0.50 ounces of silver per ton near the surface.

Elsewhere, work at Rea's massive sulphide claims on the Adams Lake Discovery property commenced in early June, with the end of the spring break-up. Corporation Falconbridge Copper, Rea's joint venture partner, is planning a comprehensive spring work program of line-cutting, geophysical surveys, geological mapping, soil sampling, and possible trenching, all prior to commencement of diamond drilling, which is tentatively forecast for sometime in August.

At Cache Creek, British Columbia, Selco-BP, another Rea joint venture partner, commenced their work program in April on the Add/Moly claims, referred to as the Red Hill property. At present, Selco-BP is concentrating on their ground work preparatory to diamond drilling as well. Regular news is expected during the summer from Red Hill.

Lastly, Rea is looking forward to a very busy and productive summer with a feasibility study on the B.V.O. claims in Yuma County, Arizona, which are joint-ventured with Lincoln Resources Inc.

Rea hopes to be listed on the Toronto Stock Exchange shortly, and also on NASDAQ in the U.S. ✕

NAGMIN

JULY 6/84

Leader acquires mineral claims near Kamloops

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82M191 REA GOLD

KAMLOOPS, British Columbia—Leader Resources Inc. has acquired a 100-percent interest in 40 mineral claims near the Adams Lake gold prospect. The property lies 11 miles south of the promising Rea Gold Corp. massive sulphide-gold claims in British Columbia.

Recent assays from the Rea property uncovered by bulldozer trenching revealed a true width of 3.75 meters assaying 1.32 ounces of gold per ton, 7.3 ounces of silver per ton, 2.6 percent copper, 7.8 percent lead, and 3.2 percent zinc. A second surface trenching, located 130 feet south-east of the original discovery, assayed out at 1.05 ounces of gold and 3.55 ounces of silver per ton, 3.86 percent lead, and 5.54 percent zinc over an estimated 10 foot

width. All the assays were taken by Falconbridge Copper, with results from an additional 15 drill holes pending.

Leader has commissioned the immediate preparation of a geological report on the claims. Its consultants state that the claims are underlain by the same volcanic rocks of the Eagle Bay formation which host the Rea discovery. Detailed property evaluation will commence after spring break up.

Leader Resources is based in Vancouver with potential gold-bearing claims in Wenatchee, Washington, where field work is underway, and Tillicum Mountain, British Columbia, in addition to acreage in Ohio with an eye to oil and gas production. ✕

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Drill results add significance to Rea Gold's Adams Lake site

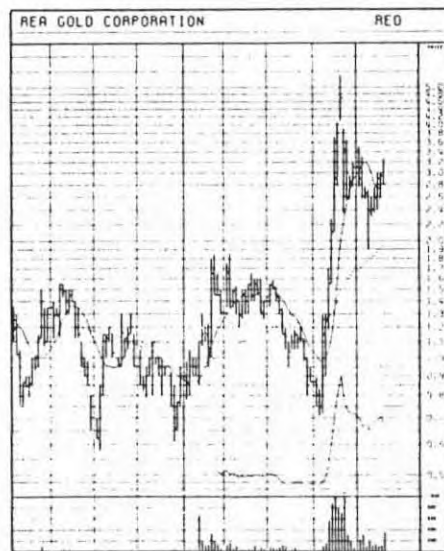
KAMLOOPS, British Columbia—Larry W. Reaugh, president of Rea Gold Corp., of Vancouver, British Columbia, has released the most recent assays at their Adams Lake site and they are looking promising.

The Adams Lake site, located about 60 kilometers northeast of Kamloops, British Columbia, is being operated by Corporation Falconbridge Copper. They have reported a possible 150,000 tons of ore grading 0.43 ounces of gold per ton and 3.5 ounces of silver per ton at the site. On top of all that, assays of 0.7 percent copper, 3.6 percent zinc, and 3.1 percent lead are available, with the site possibly being amenable to open-pit mining.

The following assay results have been received by Rea Gold from Corporation Falconbridge. Significant intersections only are reported herein.

Hole #	Interval Metres	*True Width Metres	Au oz/ton	Ag oz/ton	Cu%	Zn%	Pb%
RG-1	52.5-52.7	*0.2 (8")	.041	.23	.01	.13	.08
RG-2	23.9-29.6	*5.7 (17.0')	.031	.57	.03	.27	.21
	14.5-16.0	1.5 (5'0")	.013	.98	.17	.46	1.21
RG-3	33.7-35.7	*2.0 (6'-6")	.222	.47	.05	.17	.20
RG-4	37.0-37.5	*0.5 (1'-8")	.021	.31	.12	1.88	.91
RG-5	70.5-72.2	*1.7 (5'-7")	.078	.42	.16	.75	.46
	72.8-73.2	.4 (1'-3")	.024	.36	.05	1.15	.56
RG-6	77.0-78.5	*1.5 (5'-0")	.268	1.00	.26	3.74	2.08
RG-7	41.5-42.0	*0.5 (1'-8")	.081	.30	.04	.62	.53
	49.3-49.8	*0.5 (1'-8")	.198	.96	.06	.52	.35
RG-8	45.95-49.3	*3.35 (11.0')	.498	3.73	.59	2.47	1.49
RG-9	47.4-48.5	*1.1 (3'-6")	.018	.92	.36	1.80	1.78
RG-10	53.3-54.9	*1.6 (5'-3")	.026	.60	.30	2.28	1.14
	58.7-60.7	*2.0 (6'-6")	.059	.31	.01	.61	1.07
(3 M of core lost between 54.9 and 58.7)							
RG-11	119.9-128.1	*8.2 (26'-8")	.010	.21	.07	1.32	.70
incl.	119.9-121.45	*1.55 (5'-1")	.020	.65	.24	4.96	2.68
RG-15	45.0-45.3	*0.3 (1'-0")	.012	.20	.16	.82	.59
(40% core recovery)							
RG-16	14.7-16.15	1.45 (4'-9")	.219	6.13	.87	9.20	7.16
		*1.00 (3'-3")					
RG-20	53.6-55.2	1.60 (5'-3")	.196	3.14	.59	4.70	3.92
		*1.13 (3'-8")					
RG-21	14.8-24.8	10.00 (32'-6")	.314	3.61	.43	3.48	2.94
		*7.11 (23'-3")					
RG-25	13.6-25.2	11.60 (37'-8")	.517	4.25	.82	4.93	3.89
		*8.12 (26'-5")					

Reaugh added that better widths have been encountered in several holes drilled. The best intersections to date have been within 160 feet of the surface. The known mineralized structure is open down dip and to the northwest. Bore hole geophysical surveys are presently being conducted to



determine the possible extensions of the known mineralized zones and to locate other massive sulphide horizons.

Exploration drilling to date has been confined to a small area of the property. Gold values of this grade have not previously been encountered in the Adams Lake area.

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Rea Gold property stirs up interest

VANCOUVER, British Columbia—Rea Gold is one of those companies that stirs up your interest and then satisfies. Their Adams Lake discovery near Kamloops, British Columbia, is one such case in point and it is here that many of those interests are realizing expectations.

From fist fights to staking rushes, Rea Gold's Adams Lake project has been receiving considerable attention this past year. Many companies had opted to join Rea Gold in developing their site, and after some wooing and negotiating, Larry Reaugh, president of the firm, signed the joint venture agreement with Corporation Falconbridge Copper.

The reasons behind all the fuss over Rea Gold and their Adams Lake property is shown by some recent assay results. The latest ones available note that a massive

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Rea Gold drill rig at Adams Lake NAGMIN JAN 15, 1984

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sulfide precipitated by bullion. The true width of the original surface trench is 1.05 ounces of silver per ton, 2.6 percent zinc and 3.0 percent lead. All the additional 15 drill holes will be released soon.

Rea Gold has other properties, however, that are showing considerable promise, but are being somewhat overshadowed by the attention shown to the Adam's project. The B.V.O. claims, in Yuma County, Arizona, is a joint venture between Rea Gold and Lincoln Resources. The project is quietly proceeding with a deep-drilling phase of exploration under the direction of Douglas Charlton; P. Eng., of Charlton International. To date, exploration efforts have developed drill-indicated tonnage of approximately 150,000 tons averaging 0.24 ounces of gold per ton and 2.0 ounces of silver per ton. Potential tonnage has been estimated to be two

subsidary of BP Explorations Ltd., to further explore the Red Hill Add and Moly claim group. Sherwin F. Kelly, P. Eng., a geologist and geophysicist, has studied the site and it was his recommendation that the company pursue further exploration diligently.

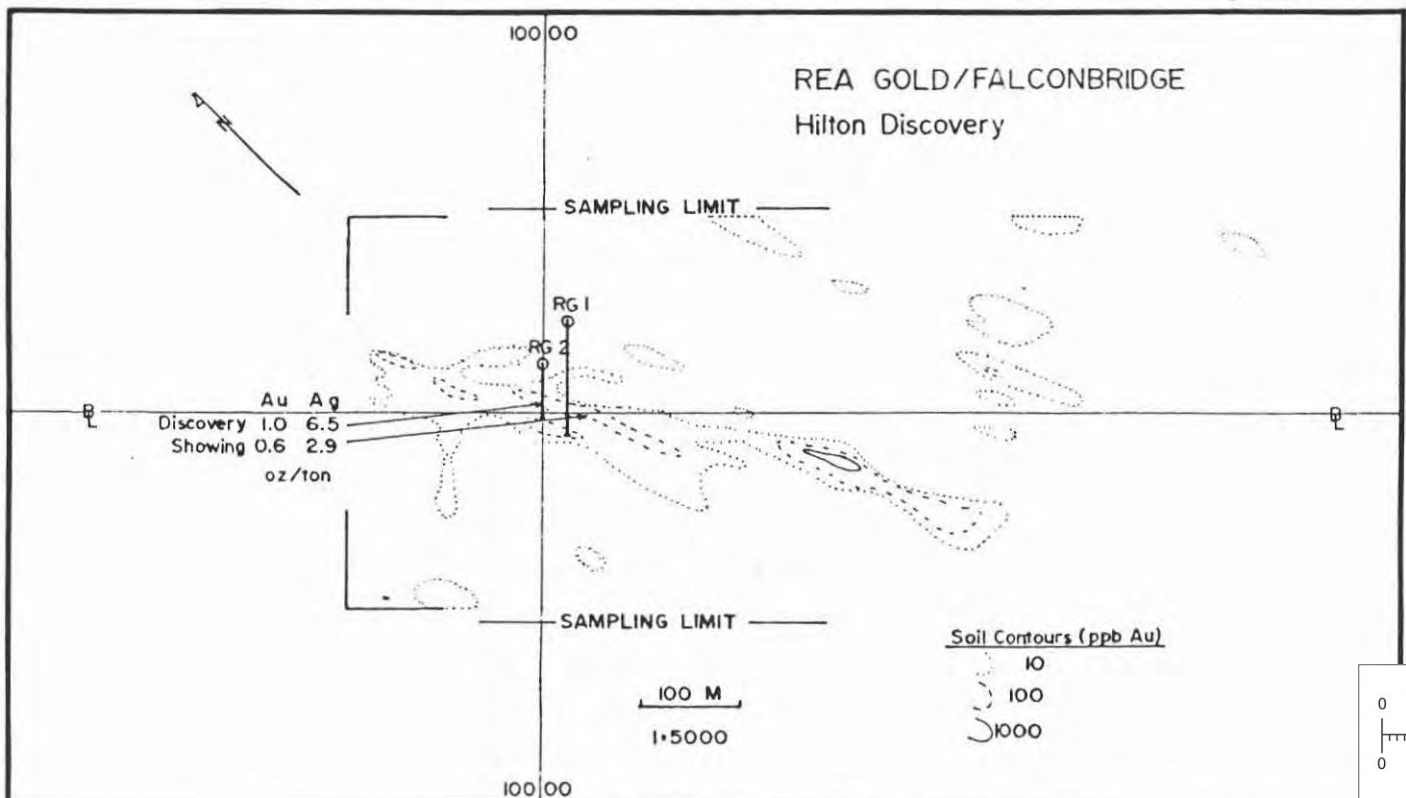
Selco, in fact, had been conducting various geochemical, geophysical, and diamond drilling on its claims contiguous to the Add and Moly claims for some time, and their information can prove invaluable. Selco may earn a 51-percent interest in the property by expending C\$1.5 million on exploration over a five-year period.

On their Brunswick Lode claims in Nevada,

6,500 acres. Field work at the Tillicum site during 1983 identified 11 anomalies from airborne VLF, magnetometer surveys, and geochemical surveys. The Roach site had four gold/silver anomalies identified during 1982 using geochemical surveys. Rea Gold also holds 700 acres in Shasta County, near Redding, California, where engineering studies and geochemical surveys are presently being conducted.

Rea Gold's management is very optimistic about the future of their properties and in their company as a whole. Considerable news should be forthcoming from the company's diversified interests as the year progresses, and exploration and development continues.

82M191



NAGMIN JAN 15, 1984

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GCNL #250

31 DEC 1985

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

NEW SILVER ZONE HAS 2.5 KM - Corporation Falconbridge Copper have informed Rea Gold Corporation that 14 diamond drill STRIKE LENGTH AT ADAMS LAKE holes out of 16 encountered significant mineralization over a strike length of 2.5 km on the Adams Lake, B.C. property in which Falconbridge Copper is earning 70% interest and Rea will retain 30%. The zone is open at both ends. Assay results are printed overleaf. Rea Gold president Larry W. Reaugh says Falconbridge Copper plan follow-up drilling on the strike extensions of the zone early in 1986.

From the adjoining property, wholly owned by Rea, material drilled on the recently discovered massive sulphide zone has been sent for assay and Rea awaits the results. For a recent report of drill results from that property, see GCNL 247(85). Rea will resume drilling on that property in early January.

Hole No.	Width Meters	Oz.Gold/T	Oz.Silver/T	Copper %	Zinc %	Lead %	Barium %
RG-35	0.15m 0'5"	.006	.90	.39	5.14	1.14	
RG-36	1.9m 6'4"	.009	.50	.06	.39	.56	
RG-37*	2.7m 8'7"	.009	5.40	.38	1.59	.92	
RG-39*	3.15m 10'4"	.009	1.32	.15	.38	.11	
RG-40*	.9m 3'0"	.009	14.62	1.01	3.02	2.16	
RG-42	1.5m 5'0"	.012	3.52	.33	.10	.08	
	1.5m 5'0"	.006	.37	.05	.32	.19	
RG-44	3.3m 10'9"	.012	4.78	.01	.05	.07	40.5
RG-45	1.1m 3'7"	.047	8.23	.30	.08	.20	43.3
RG-47	TRICONED THRU ZONE						
RG-48	1.2m 3'10"	.007	.59	.15	.53	.38	
RG-49	1.6m 5'2"	.002	.30	.28	1.30	1.45	
RG-50	0.85m 2'9"	.006	.70	.06	1.43	.78	
	3.15m 10'4"	.012	1.63	.09	1.04	.80	
* RG-51	0.9m 3'0"	.001	.35	.25	1.35	1.00	
	1.4m 4'7"	.006	.76	.09	2.82	1.43	
RG-53	1.0m 3'3"	.140	2.76	.15	.23	.08	
	0.4m 1'4"	.007	.76	.63	4.49	2.30	
RG-55	1.02m 3'4"	.058	1.56	.31	2.69	1.00	

* Previously reported holes.

GCL #247 24 DEC 1985

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

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

HOLE NO.	INTERVAL METERS	SAMPLE LENGTH METERS (FEET)	OZ. GOLD/T	OZ. SILVER/T	COPPER	ZINC	LEAD
109	86.1-96.6	10.5 (34'-2")	0.327	4.815	1.173	6.205	4.936
110	74.2-76.9	2.7 (8'-9")	0.234	1.180	1.197	1.38	1.10
111	94.6-99.8	5.2 (17'-0")	0.245	3.350	0.40	2.14	1.55
112	68.7-70.2	1.5 (5'-0")	0.142	0.130	0.11	0.96	0.53
	74.9-77.3	2.4 (7'-10")	0.218	2.769	0.83	5.28	4.44

STEP-OUT HOLES CUT GOOD
MASSIVE SULPHIDE MINERAL

Larry W. Reaugh, president
of Rea Gold Corporation,
announces assay results from
their Adams Lake massive
sulphide property 40 miles NE
of Kamloops, B.C.

Hole 110 is located 81 feet updip from discovery hole 109, hole 111 is 81 feet along strike and south of 109, and hole 112 is 81 feet updip and 81 feet above hole 111. Additional assays will be reported as received. Rea plans an aggressive \$400,000 program for January and February 1986.

MINER
30 DEC 1985
**Massive sulphides
are hit by Rea Gold**

Rea Gold reports it has encountered massive sulphides over 34 ft., from 280 ft. to 314 ft., in one hole on its Adam Lake, B.C., property.

President Larry W. Reaugh said it was hit by hole No. 109, drilled at -90°. Another hole, No. 110, and drilled at -65° from the same location, encountered massive sulphides over 8 ft. from 248 ft. to 256 ft., Mr. Reaugh said.

He said the massive sulphide is located about 400 ft. south of the large (130,000-ton) massive sulphide lens located on the property in 1984, and is open up and down dip as well as in both directions on strike.

The original discovery area was recently returned to Rea Gold by Corporation Falconbridge Copper, which will retain a net profit royalty interest in the showing, down to a depth of 100 m.

Below that, and on the rest of the property, according to Falconbridge Copper vice-president exploration, M. J. Knuckey, his company can earn a 100% interest by completing exploration expenditures of \$2 million.

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

NMINER
29 AUG 1985

AS 2:30M/4W (082M 191)

Silver values shine on Rea Gold gold bet

Recent further drilling by Corporation Falconbridge Copper on the Adams Lake, B.C. gold project with Rea Gold Corp. turned up some interesting silver values, operator Falconbridge Copper reports.

Already identified on the property are two massive sulphide lenses, with drill-indicated reserves of 150,000 tons, grading 0.43 oz. gold per ton, 3.5 oz. silver, 3.6% zinc, 3.1% lead, and 0.70% copper.

But in one of four further holes just completed on the property, The Northern Miner is informed by M. J. Knuckey, vice-president, exploration for Falconbridge Copper, a 3-ft. intersection in hole RG-40 averaged 501 g silver per

ton (14.62 oz.) 0.29 g gold per ton, 1% copper, 3.02% zinc, and 2.16% lead.

The hole was drilled to test the horizon of hole RG-37, (located 1,000 m northeast of the original discovery zone), 150 m south along strike from RG-37.

Hole RG-40 intersected the horizon and significant sulphide from 72.95 m to 73.85 m, Mr. Knuckey said.

In the four latest holes, he said, the best intersection in hole RG-38, drilled 300 m east of the L100 massive sulphide lens, was from 47.3 m to 47.55 m (about 10 inches) averaging 0.76% copper, 1.98% zinc, 1.5% lead, 34.2 g silver per ton, and 0.4 g gold per ton.

Hole RG-37 averaged 1.59% zinc, 0.92% lead, 0.38% copper, 185.2 g silver per ton, and 0.343 g gold per ton over 2.7 m from 74.7 to 77.4 m.

The mineralized section in RG-39 was contained in 3.15 m from 153.65 to 156.8 m, and averaged 0.15% copper, 0.38% zinc, 0.11% lead, 45.2 g silver per ton, and 0.03 g gold per ton..

GCNL #214 6 NOV 1985

REA GOLD CORPORATION (REO-V,T; REDGF-Nasdaq) 82M/4W (082M 191) AR, HN, Rea

DIAMOND DRILLS MOVE ONTO - The option granted Corporation Falconbridge Copper on the Adams Lake property of Rea Gold ADAMS LAKE, B.C., PROPERTY Corporation NE of Kamloops, B.C. has been renegotiated. Rea Gold president Larry W.

Reagh reports that Rea now has 100% ownership of the 2 known 150,000-ton ore bodies, subject to 10% net profits interest to Falconbridge effective after Rea Gold has recovered all of its costs to production. Falconbridge Copper has the right to earn 100% interest in the rest of the property by spending the \$940,000 balance of a previously agreed \$2,000,000 by 4Nov88. Rea Gold has the right to back-in for 30% interest upon Falconbridge Copper making a production decision.

Mr. Reagh reports being informed by Falconbridge Copper that 2 diamond drills will be on the property by the end of this week. Most of the drilling is slated for the new zone that has been discovered 1000 meters NE of the Discovery zone.

Metallurgical testing and bio-leach tests are being performed on the existing ore bodies. Rea Gold is now discussing with interested parties the prospect of placing the property into production.

GCNL #243

18 DEC 1985

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

Hole No.	Interval	Width, Feet	Gold Oz/T	Silver Oz/T	Copper %	Zinc %	Lead %
109	282.5 Ft.-316 Ft.	34 Ft.2 In.	0.327	4.815	1.173	6.205	4.936

ASSAY REPORTED FROM ADAMS LAKE MASSIVE SULPHIDE DRILL HOLES

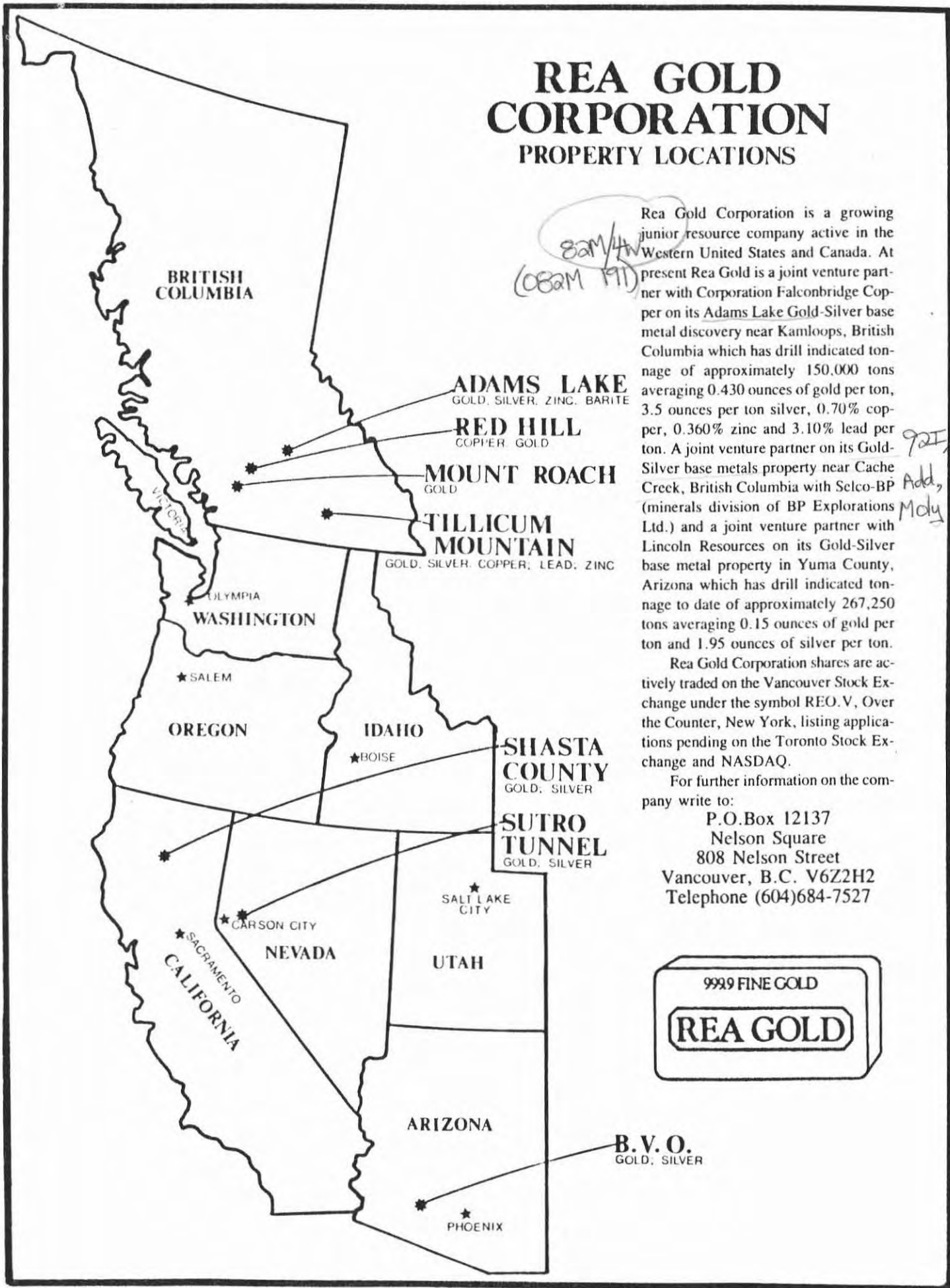
Larry W. Reagh, president of Rea Gold Corporation, has reported results on the

massive sulphide intersection on the 100% owned property at Adams Lake, 70 miles east of Kamloops, B.C.

Six holes have been subsequently drilled to test this new zone over a strike length of 283 feet and an updip extension of 81 feet. Four of these holes have intersected significant massive sulphides averaging from 6.5 feet to 19 feet in width. The downdip extension of this discovery is into the Rea Gold 30% Corporation Falconbridge Copper 70% joint-venture ground. Corporation Falconbridge will drill two holes immediately to test the downdip extension below the discovery hole. Preliminary bio-leach metallurgical testing of the arsenic ores has indicated an 85% recovery can be expected in precious metals.

REA GOLD CORPORATION

PROPERTY LOCATIONS



Rea Gold Corporation is a growing junior resource company active in the Western United States and Canada. At present Rea Gold is a joint venture partner with Corporation Falconbridge Copper on its Adams Lake Gold-Silver base metal discovery near Kamloops, British Columbia which has drill indicated tonnage of approximately 150,000 tons averaging 0.430 ounces of gold per ton, 3.5 ounces per ton silver, 0.70% copper, 0.360% zinc and 3.10% lead per ton. A joint venture partner on its Gold-Silver base metals property near Cache Creek, British Columbia with Selco-BP (minerals division of BP Explorations Ltd.) and a joint venture partner with Lincoln Resources on its Gold-Silver base metal property in Yuma County, Arizona which has drill indicated tonnage to date of approximately 267,250 tons averaging 0.15 ounces of gold per ton and 1.95 ounces of silver per ton.

Rea Gold Corporation shares are actively traded on the Vancouver Stock Exchange under the symbol REO.V, Over the Counter, New York, listing applications pending on the Toronto Stock Exchange and NASDAQ.

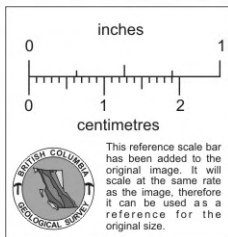
For further information on the company write to:

P.O.Box 12137
 Nelson Square
 808 Nelson Street
 Vancouver, B.C. V6Z2H2
 Telephone (604)684-7527



B.V.O.
 GOLD, SILVER

INT. PROS. + DEV. MAG. -
 MAY/JUNE 1985



23

GCNL #71 12 APRIL 1985

REA GOLD CORPORATION(REQ-V)

DRILL TEST STARTING ON - Larry W. Reaugh, president of Rea Gold Corporation, has been informed by Selco Division-BP
GOOD GEOPHYSICAL TARGET Resources Canada Ltd., that diamond drilling will start on Rea Gold's Red Hill massive sulphide property, 12 miles south of Cache Creek, B.C., about mid-April.

Selco has employed two versions of electromagnetic survey down-the-hole there. These "Mise a la Masse" and borehole pulse surveys of the sulphide intersection in diamond drill hole S-84-1A indicate a minimum anomaly length of 487 feet (150 meters) and suggest that the sulphide zone thickens downdip to the west. Two diamond drill holes totalling some 1,800 feet (550 m) are planned to test the dip and strike extension of the sulphide. Trenching of a large electromagnetic anomaly and the magnetite iron formation on the west side of the property is planned for late April.

Elsewhere, Corporation Falconbridge Copper have informed Rea Gold that they have completed the current drill program on the joint venture property in the Adams Lake area NE of Kamloops, B.C. Results of down-the-hole geophysics and assay results from drilling will be reported when received.

AR, HN 82M/4W (882M 191)

GCNL #99 23-MAY 1985

REA GOLD CORPORATION(REQ-V)

NEW ZONE OF MINERALIZATION - Corporation Falconbridge Copper have informed Rea Gold Corporation that a new zone of
DISCOVERED AT ADAMS LAKE mineralization has been encountered 1.2 km north of the original massive sulphide

discovery on Rea Gold's Adams Lake property located 60 km. northeast of Kamloops, B.C.

Semi-massive sulphides were encountered in a similar geological setting to the original discovery. The drill hole RG-37 intersected 2.7 metres (8 feet 7 inches) from 74.7 to 77.4 metres assaying 1.59% zinc, 0.92% lead, 0.38% copper, 5.4 oz/t silver and 0.01 oz/t gold. Hole RG-35 located in a parallel zone to the discovery intersected 5 inches of semi-massive sulphide at 371.45 metres assaying 0.39% copper, 1.14% lead, 5.14% zinc, 0.009 oz/t gold and 1.0 oz/t silver. Of the 37 holes drilled to date 5 have been drilled in the new zone. Corporation Falconbridge Copper plans additional drilling on the new zone when spring breakup is over.

NM JNER
7 MARCH 1985

Hopes high for Adams Lake

by David Duval

The Adams Lake area near Kamloops, B.C., has been the scene of intensive interest since Corporation Falconbridge Copper optioned Rea Gold's precious metal prospect in 1983. The agreement gave Falconbridge the right to earn a 51% interest for \$250,000 in option payments to Rea and \$2 million in property expenditures by May 4, 1986. Falconbridge has spent a bit less than \$1 million already and was scheduled to start drilling again in February.

A number of sulphide bodies have been located on the property and recent testing of the down dip potential of a massive sulphide lens returned low grade precious metals values and low grade sulphides containing copper, zinc and lead.

Expectations were high when Falconbridge optioned the prop-

Falconbridge Copper leads the way working on ground optioned from Rea

erty but the first holes put down under what on surface appeared to be a high grade lens proved disappointing. Falconbridge so far has completed about 11,500 ft. of drilling on the Rea Gold property and further geophysics were planned earlier this year prior to the resumption of drilling.

The property has drill-indicated reserves of 150,000 tons grading 0.43 oz. gold, 3.5 oz. silver, 3.6% zinc, 3.1% lead and 0.7% copper. Rea is also involved in another massive sulphide property near Cache Creek, B.C. with B.P. Selco.

Falconbridge announced plans to drill Apex Energy's Twin claims

in the Adams Lake region in early February. Two holes are planned for an anomaly that was outlined by soil sampling and a coincident VLF survey. A second anomaly, which could represent an extension of the favorable horizon on the adjoining Rea Gold property will also be drilled. The Twin claims are owned by Apex Energy and Austin Resources and Falconbridge can earn a 51% interest for cash payments and \$1 million in exploration expenditures by Mar. 1, 1988.

Tylox Resources Corp. has property in the Adams Lake region under option to Zone Petroleum.

Late last year a grid line was established on the property and some soil sampling completed. Zone has the right to earn a 50% interest in the property by spending \$400,000 prior to June 30, 1987.

Preliminary geological mapping on two claim groups located disseminated pyrite with minor chalcopyrite in heavily altered rock. The host rocks are believed to include both quartz porphyry and another rock type thought to be derived from an exhalative chert. These are believed to be near a volcanic center.

Several companies holding ground in the area have discussed option arrangements with Falconbridge which is certainly in a position to pick and choose the better prospects, given its exposure to and knowledge of the region.

GNL #49 11 MARCH 1985

REA GOLD CORPORATION (REO-T,V)

HOLE	INTERVAL, FT.	TRUE WIDTH	OZ. GOLD/T	OZ. SILVER/T
85- 1	10 - 20	10 feet	0.133	1.15
85- 2	30 - 45	15	.303	5.85
85- 3	60 - 65	5	.080	0.71
85- 4	40 - 65	25	.509	2.92
85- 6	70 - 95	25	.194	1.33
85- 9	75 - 100	25	.225	3.06
85- 10	Not Available	10	.205	0.95
85- 11	105 - 125	20	.096	1.61
	145 - 160	15	.042	0.37

FIRST DRILL RESULTS FROM ARIZONA GOLD CLAIMS REPORTED

Larry W. Reaugh, president of Rea Gold Corporation, reports that a 27-hole drilling program has been completed on the Rea Gold/Lincoln joint venture Bronco-Verdstone-Oakland property in Yuma county, Arizona. He has provided the initial results as reported by Doug Blanchflower, F.G.A.C. (See table).

Corporation Falconbridge Copper have informed Rea Gold that deep test diamond drilling is

currently underway on Rea Gold's property in the Adams Lake area, B.C.

GNL #60 26 MARCH 1985

NO. 60 (1985)
MARCH 26, 1985

CORPORATION FALCONBRIDGE COPPER (FCL-T,M)

B.C. PROJECTS NOTED - In their 1984 annual report Corporation Falconbridge Copper in reference to projects in B.C., IN ANNUAL REPORT says, "On the property optioned from Rea Gold Corporation near Adams Lake, the company delineated a small, high-grade but refractory precious metal/base metal sulphide deposit. Although no further work is planned on this drill-indicated 139,000 ton deposit at the present time, exploration will continue in the area.

"Programs initiated in 1984 in the Britannia Beach and Mount Sicker (Vancouver Island) areas will also be continued in 1985." Note: a dictionary of mining terms defines refractory as "The quality of resisting heat" and adds "Ore difficult of treatment usually containing a second metallic constituent. For example, a gold sulfide ore must be roasted to reduce the ore to an oxide and permit the gold to be recovered."

29

NMINER
31 JAN 1985
**Falco Copper
resumes work
on Rea Gold bet**

Corporation Falconbridge Cop-
per has begun a program of line
cutting and geophysics on the
Adams Lake massive sulphide
property northeast of Kamloops,
B.C., in a joint venture with Rea
Gold Corp. HN, AR
82M/4W
(082M 191)

In February, Falconbridge will
again start drilling on the prop-
erty. The company has already
done some 3,500 m of drilling, in
31 holes.

It has drill-indicated reserves of
150,000 tons at a grade of 0.43 oz.
gold per ton, 3.5 oz. silver, 3.6%
zinc, 3.1% lead, and 0.70% copper.

GENL #41 27 FEB 1985 REA GOLD CORPORATION (REO-T,V) AR, HN, Rea 82M/4W (082M 191)
DIAMOND DRILLING RESUMED AT ADAMS PLATEAU - Corporation Falconbridge Copper ("CFC") have informed Rea Gold Corp. that
diamond drilling has commenced on their Adams Lake-Hilton joint-venture
located 60 miles N.E. of Kamloops, B.C. The first site is a 1,462 foot (450 m) hole and will test downdip of the
initial discovery lens. The horizontal loop electromagnetic geophysical survey conducted during January and February
1985 has outlined several significant conductors in addition to the VLF conductors previously discovered.
The mineralized horizon containing the two massive sulphide lenses, has been extended an additional 2,300 feet
(700m) northeast, in addition to its known length of 1,950 feet (600 m). The chert horizon 1,300 feet (400 m)
northeast of the discovery zone is flanked on both sides by strong H.L.E.M. conductors. The chert zone has been
extended for an additional 3,600 feet (1100 m) northwest past its known strike length of 2,950 feet (900 m). Current
drilling will be testing the H.L.E.M. conductors.
Rea Gold has informed CFC that they will not be participating in further exploration on the Bar project also at
Adams Lake and located 3 miles west of the Rea Gold/Hilton Discovery.

NMINER
7 MARCH 1985
**Adams Lake
looking good
for Rea Gold**

With giant Corporation Falcon-
bridge Copper as a partner, Rea
Gold Corp. has the right connec-
tions.

It also has a very promising play
because of it. The Massive Sul-
phide Joint Venture with Falcon-
bridge Copper (51%) and Rea
Gold (49%) has identified two mas-
sive sulphide lenses with drill-
indicated reserves of 150,000 tons
grading 0.43 oz. gold per ton, 3.5
oz. silver, 3.6% zinc, 3.1% lead and
0.70% copper. The property is in
the Adams Lake area of British
Columbia northwest of Kamloops.

As operator, Falconbridge is
again drilling. By May 4, 1986, it
must spend \$2 million to earn its
interest.

In another joint venture, this
one in Yuma Cty., Ariz., Rea is the
operator of a gold-silver prospect.
The 50-50 venture with Lincoln
Resources has identified 267,500
tons of drill-indicated reserves
grading 0.15 oz. gold per ton and
2.0 oz. silver. The property is 60
miles west of Phoenix.

In British Columbia again, Rea
is involved in an exploration play
with BP Selco, a division of BP
Resources south of Cache Creek.
Massive sulphides over 15 ft. were
encountered in one of six holes
drilled in 1984.

It also has three other B.C.
properties as well as an advanced
gold prospect in Costa Rica.

NMINER
4 OCT 1984

Falco copper drills on Rea Gold bet

HN, AR
REI

Corporation Falconbridge Copper has started drilling, with one machine, on Rea Gold Corporation's property in the Adams Lake area of British Columbia.

82M/4W
1082M 171

Rea Gold president Larry Reaugh says Falconbridge has advised the first two holes will be drilled down dip from the two discovery lenses on the property, with one hole testing the down hole geophysical anomaly under the main lens.

Mr. Reaugh adds drilling is proceeding on the Brunswick lode property at Virginia City, Nev. The first hole (-45 degrees) intersected the Brunswick vein from 166.5 ft. to 268 ft. representing a true width of 101.5 ft.

The mineralized section is currently in for assay. A second hole is being drilled vertically from the same location and has penetrated the Brunswick vein for 20 ft. and is drilling ahead in vein material. Recovery from the HG location drilling is between 95% and 100%, Mr. Reaugh says.

NMINER
3 JAN 1985

More drilling set for Adams Lake bet

Corporation Falconbridge Copper plans further drilling later this year on the Adams Lake gold project near Kamloops, B.C., in a joint venture with Rea Gold Corp.

M. J. Knuckey, vice-president exploration at Falconbridge, tells The Northern Miner the plan is to carry out some geophysics on the property early in 1985, to be fol-

lowed by the drill program.

The company has already done some 3,500 m of diamond drilling, in 31 holes, on the Adams Lake property, Mr. Knuckey said.

According to Rea Gold, the property has drill-indicated reserves of 150,000 tons at a grade of 0.43 oz. gold per ton, 3.5 oz. silver, 3.6% zinc, 3.1% lead, and 0.70% copper.

Rea Gold is also in a joint venture with Selco on a massive sulphide property near Cache Creek, B.C., and in the U.S. has 50% of a developing ore deposit in Yuma Cty., Ariz., where drill-indicated tonnage is 267,500 tons at 0.15 oz.

GOLD #11 16 JAN 1985

REA GOLD CORPORATION (REO-V) president Larry W. Reaugh reports being informed by Corporation Falconbridge Copper that crews have arrived on Rea Gold's Adams Lake massive sulphide property, some 50 miles NE of Kamloops, B.C. The current program consists of linecutting and geophysics northwest of the existing massive sulphide bodies. Drilling is expected to start in February 1985. Falconbridge Copper must spend \$2,000,000 on exploration and deliver a feasibility study by 4May86 to earn their 51% interest. So far they have spent about \$750,000.

AR, HN, Rea 82M/4W 1082M 171

REA
HN, AR
82M/4W
191
COBAM
NM INER 16 AUG 1984

Trench assays at Adams Lake

Rea Gold Corp. has received preliminary results from trenching and geophysical surveys being carried out by Corporation Falconbridge Copper on the Adams Lake Discovery Property near Kamloops, B.C.

During the past two months, over 20% of the property has been explored by linecutting, geophysics, geological mapping and geochemical surveys. More than 10 anomalies have been located. The largest is in excess of 6,000 ft. and is located approximately 1,200 ft. northeast of known massive sul-

phide orebodies.

Trenching was conducted on 25-m centres over the existing drilled massive sulphides where 150,000 tons are indicated. Assay results are listed below.

Potential economic mineralization is open on both the hanging-wall and the footwall in trenches 9,675 and 9,700 and on the footwall in trench 9975. Additional sampling from these areas has been completed and results are expected in the near future.

CFC plans to begin drilling on the property in September.

Trench Loc.	Width (ft.)	Gold (oz./ton)	Silver (oz./ton)	Copper (%)	Lead (%)	Zinc (%)
9675	19.84	.203	2.17	.39	2.64	2.15
9700	21.20	.336	4.10	.47	1.04	.93
9725	4.92	.390	29.50	1.16	14.10	2.57
9750	1.15	.036	.55	.28	.43	.14
9950	2.62	.519	1.86	.37	2.78	5.36
9975	10.00	.478	1.32	.10	3.35	.46
9990	10.00	1.320	7.30	2.60	7.80	3.20
10000	4.59	.169	1.13	.06	2.21	.21

AR IN, REA
82M/4W
191
COBAM
NM INER
23 AUG 1984

Adams Lake bet

Rea Gold Corp. says it has an agreement with Corporation Falconbridge Copper whereby Rea can earn a 45% equity interest in Falconbridge's BAR project in B.C.'s Adams Lake area.

The property consists of 409 units and four claims totalling 27,000 acres. Falconbridge has done geological mapping and geochemical surveys and has covered the property with airborne geophysical surveys over the last year, according to Rea President Larry W. Reaugh.

Mr. Reaugh says ground follow-ups in key areas are now in progress on the BAR property.

Rea Gold will earn the 45% interest by providing \$1 million for further exploration to be carried out by Falconbridge Copper, before Jan. 1, 1987.

GNL #217 9 NOV 1984

REA GOLD CORPORATION (REO-V)

Interval Meter	Width	Oz. Gold/T	Oz. Silver/T	Copper %	Zinc %	Lead %
142 -143.5	1.5 m	0.012	0.09	less 0.1	0.06	0.03
143.5-145	1.5	0.092	0.59	0.02	0.25	0.96
145 -146.5	1.5	0.018	0.18	0.20	0.82	0.93
146.5-148	1.5	0.010	0.29	0.04	0.84	0.41

82M/4W (COBAM 191)
HN, AR

ADAMS LAKE DRILLING WILL RECOMMENCE IN FEBRUARY

Larry W. Reaugh, president of Rea Gold announces that Corporation Falconbridge Copper have made their 4Nov84 option payment on Rea's property at Adams Lake, B.C.

Falconbridge Copper can earn 51% interest by paying a total of \$250,000 for the option, spending \$2,000,000 on exploration and delivering a feasibility study by 4May84. Less than \$1,000,000 has been spent so far. Assay results from mineralized sections of Hole RG-30, which tested a bore hole geophysical response downdip of one of the massive sulphide lenses, are shown in the table. Anomalous values in precious and base metals were encountered in some sections of RG-32 located on the new zone 1,200 feet NE of the massive sulphide orebodies.

Falconbridge Copper have informed Rea Gold that diamond drilling will resume in February 1985.

(Handwritten initials)

NMENER
5 JULY 1984

Falco Copper working on Adams Lake claims

According to Rea Gold, trenching and line cutting is being done on a raised mass of sulphides by Corporation Falconbridge Copper on their Adams Lake, B.C., joint venture gold property.

Trenching on 25 m centres on the existing zone is being done to map and assay surface bedrock showings exposed by the trenching, Rea says. Drilling in 1983-84 indicated 150,000 tons averaging 0.43 oz. gold per ton, 3.5 oz. silver per ton, .7% copper, 3.6% zinc, and 3.1% lead.

Line cutting is preparatory to geophysical, geological and geochemical surveys to extend the existing zone and locate further anomalies. Diamond drilling is expected to follow on anomalous zones located by the current program.

H.N. REA
82M/4w
(082M 191)

NORTH AMERICAN GOLD MINING
INDUSTRY NEWS JULY 6, 1984

Rea Gold's aggressive summer exploration program underway

VANCOUVER, British Columbia—The momentum at Rea Gold Corp. has accelerated as the summer exploration season unfolds.

Larry W. Reaugh, president of Rea Gold, announced June 13 that a C\$400,000 diamond drilling program is scheduled to commence in early July, consisting of 7,500 feet of HQ drilling, on the Brunswick Lode, Sutro Tunnel property. The property is adjacent to a historic producer in the world-class Comstock Lode district, near Virginia City, Nevada.

The Sutro Tunnel claims contain a 4,000-foot strike length of the Brunswick Lode vein with a minimum 100-foot width of low pH and Brunswick vein material. The Occidental Mining Co. mined the Brunswick vein up to Rea Gold's south boundary and the Comstock/Phoenix and Monte Christo Mines produced gold and silver on the north boundary.

Rea's consulting geologist, Douglas Blanchflower, travelled to the Sutro Tunnel property in order to gear-up for the impending drilling program. Rea Gold has purchased its own diamond drill, a Longyear Super 38, at a substantial savings (approximately 30 cents on the dollar). The drill was bought, with its accoutrements, through a receivership sale for a fraction of its costs, and this should help reduce drilling program expenditures.

Work carried out by Rea in 1983 located significant mineralization from 0.010 ounces of gold per ton and 1.82 ounces of silver per

ton to 0.656 ounces of gold and 6.62 ounces of silver per ton over "good widths," according to Rea. The engineering firm of Charlton International estimates the North Brunswick ore zone contains 6,000 to 10,000 tons grading better than 0.10 ounces of gold and 0.50 ounces of silver per ton near the surface.

Elsewhere, work at Rea's massive sulphide claims on the Adams Lake Discovery property commenced in early June, with the end of the spring break-up. Corporation Falconbridge Copper, Rea's joint venture partner, is planning a comprehensive spring work program of line-cutting, geophysical surveys, geological mapping, soil sampling, and possible trenching, all prior to commencement of diamond drilling, which is tentatively forecast for sometime in August.

At Cache Creek, British Columbia, Selco-BP, another Rea joint venture partner, commenced their work program in April on the Add/Moly claims, referred to as the Red Hill property. At present, Selco-BP is concentrating on their ground work preparatory to diamond drilling as well. Regular news is expected during the summer from Red Hill.

Lastly, Rea is looking forward to a very busy and productive summer with a feasibility study on the B.V.O. claims in Yuma County, Arizona, which are joint-ventured with Lincoln Resources Inc.

Rea hopes to be listed on the Toronto Stock Exchange shortly, and also on NASDAQ in the U.S. *

AB HN REA
82M/4w
(082M 191)

90I/(WJ)

(25)

Exploration Ltd, to explore and develop the property. Selco has the right to earn a 51% interest in the property by spending a minimum of \$1.5-million on the property over a period of five years.

The 1984 exploration program began on the property in April. The first phase will consist of a ground geophysical and mapping program to locate favourable strata and ground conductors that may be the surface expression of a volcanogenic base metal deposit. Previous work by Rea Gold confirmed several geochemical anomalies, the largest measuring 2600ft by 7500ft, trending in a northwesterly direction. The structure is anomalous in gold, silver, zinc, moly, copper and nickel.

To date, Selco has completed 37km of line cutting in preparation for geological mapping and geophysical surveys. If exploration results indicate that a production decision is warranted, the two companies would joint venture the project.

921/4E **MOUNT ROACH.** Mount Roach gold property, located eight miles west of Lytton, BC. This 7500 acre property is a joint-venture between Rea Gold (60%) and Yucana Resources Inc (40%). Prior exploration identified a mineralized section of vein 450ft long by four ft wide averaging 0.113 oz/ton gold and two large gold anomalies. Shallow drilling and bulk sampling are planned for the 1984 exploration season.



Rea Gold. Ken Vanoyole's D6C bulldozer trenching the Hilton showing, supervised by Roy Nichol and Ralph Shearing, Oct 83

The 3000 acre Tillicum Mountain Claims consist of the Sam, Skye and Afta claims, located in the Slocan Mining Division of British Columbia. The area is being evaluated under a 50/50 joint venture with Hudson Petroleum who will spend \$70,000 on exploration. Hudson

has allocated \$50,000 for trenching and drilling.

BVO. In the United States, Rea Gold is actively exploring two gold properties. The 7000 acre BVO Property located in Yuma, Arizona 95 miles west of Phoenix is a joint-venture with Lincoln Resources. Geological reports have estimated reserves on the property to be 267,250 tons grading 0.15 oz/ton gold and 1.95 oz/ton silver within 200ft of surface. The deposit is still open south, east and west to depth.

Joint venture interest in the property has been shown by a number of major mining companies. The partners have not decided whether to participate in a joint-venture or conduct an independent feasibility study.

BRUNSWICK (Sutro Tunnel). Rea Gold will conduct its own exploration work on its Brunswick property near Virginia City, Nevada. The claim group straddles the Occidental fault which lies one and one half miles east of the famous Comstock Lode. In the late 1800's, two mines operated on the north boundary and one mine operated on the south boundary, though little work was done on the company's claim area.

Geological reports have identified five principal veins on the property, all with potential mineralization. The disposition is epithermal in nature, as was the Comstock Lode. Rea Gold has conducted detailed geological and geochemical surveys. Several drilling targets have been identified. Assay values have ranged from 0.01 to 0.65 oz/ton gold and 0.08 to 6.62 oz/ton silver. The 10,000 feet of drilling slated for the 1984 exploration season began in June.

MINERAL RESOURCES DEVELOPMENT

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8211/4W

REA GOLD: A STRONG RESOURCE BASE

Rea Gold Corporation is a small Vancouver based company who's exploration efforts have yielded a strong resource base. Rea Gold's precious metal land package totals 26,700 acres consisting of 18,700 acres in four properties in British Columbia and 8000 acres in three properties in the United States.

AP, HW, REF
82M/4W
082M 191

ADAMS LAKE. Of the company's four BC properties, significant development is proceeding on three. The Adams Lake property is a precious and base metal massive sulphide deposit located 60km northeast of Kamloops, BC. In November 1983, the property was optioned to Corporation Falconbridge Copper, which has the right to earn a 51% interest in the property by investing at least \$2-million on exploration and a feasibility study by 4 May 1986.

Drill indicated reserves are estimated at 150,000 tonnes grading 0.43 oz/tonne gold, 3.6 oz/tonne silver, 3% zinc, 3.1% lead and 0.70% copper. Falconbridge will spend \$1.5-million during the 1984 exploration season. Drilling, geochemical, geophysical and geological work is planned for the property. To date, a

production decision has not been made. **Geology.** The property is located in the Barrier Lake - Adams Plateau region including Samatsum Mountain.

The region is mostly underlain by a weakly to moderately metamorphosed assemblage of sedimentary and volcanic rocks belonging to late Devonian to early Mississippian age Eagle Bay Formation, which appears to stratigraphically overlie the volcanics of the late Devonian Fennell Formation. Both these formations are intruded by granodiorite orthogneiss to biotite quartz monzonite which ranges in age from late Devonian to Cretaceous. Locally both the metamorphosed strata and the intrusions are overlain by olivine basalt flows of Pleistocene to Recent Age.

The region has at least two periods of folding and faulting. The early period was west to northwest trending with the axis plunging north to northwest. This deformed the volcanic and sedimentary strata prior to later folding with the axis plunging gently north.

There are numerous base metal occurrences commonly associated with barite and PM values particularly in the

Birk Creek - North Barriere Lake - Johnson Lake - Sinmax Creek and Adams Lake Plateau areas.

The assemblage of rocks indicates an island arc geological setting at the time of ore deposition. The brecciated, zinc rich massive sulphides and presence of massive barite indicate the discovery may be the top layer in a kuroko style deposit. Since the sequence appears to be overturned and is located on the limb of an early decline, large massive sulphide bodies may occur to the northeast and also at depth.

Within the area of discovery, logging roadcuts have exposed a sequence of volcanic and sedimentary rocks indicating repetitive mafic to felsic volcanism with submarine sedimentation between the volcanic periods. Just west of the area, andesitic flows, breccia and tuffs are interbedded with a quartz-feldspar porphyry flow. Eastward and upsection the andesitic volcanics become thinly bedded and often separated by metamorphosed argillite, siltstone and chert-pebbles, conglomerate units. These types of sequences indicate eposides of volcanism followed by periods of quiet with seafloor sedimentation.

Lithic and lapilli tuffs dominate the section 20m east of the massive sulphide showing, and they are pyrite rich within 5m of the showing.

Approximately 120m northeast of the massive sulphide showing the felsic tuffs are overlain by andesitic flows and lapilli tuffs. These relationships could suggest several periods of mafic to felsic volcanism.

Bulldozing of the oxidized outcrop revealed fresh massive sulphide mineralization over 3.75m from the hanging wall to the footwall. This mineralization is dark grey to black in color and fine grained. Its principal components at this time appear to be pyrite, chalcopyrite, galena and minor sphalerite. A second type of mineralization, rich in barite has also been found to carry gold values.

RED HILL. The Red Hill property consists of the Add and Moly claim group located near Ashcroft, British Columbia. Testing has indicated the presence of copper, gold, nickel and moly. In November 1983, the company entered into an option agreement with Selco BP, minerals division of BP

Rea Gold. Longyear Super 38 on Hole RG.1, Nov 83



903/1W

GCNL #113 12 JUNE 1984

REA GOLD CORPORATION (REO-V) AR, HW, REA 82M/4W (OBSM: 191)

WORK HAS RESUMED ON - Larry W. Reaugh, president of Rea Gold Corporation has reported that Corporation Falconbridge ADAMS LAKE PROPERTY Copper are currently trenching and line-cutting Rea's massive sulphide Adams Lake property located 60 miles N.E. of Kamloops, B.C.

Trenching on 25 metre centres on the existing zone (where drilling in 1983/84 indicated 150,000 tons averaging 0.43 oz. gold/ton, 3.50 oz. silver/ton, 0.70% copper, 3.60% zinc and 3.10% lead) is being done to map and assay surface bedrock showings exposed by the trenching.

Line-cutting is preparatory to geophysical, geological and geochemical surveys to extend the existing zone and locate additional anomalies.

Diamond drilling will follow on anomalous zones located.

NMENER 21 JUNE 1984

Falconbridge initiates Adam's Lake trenching

A program of trenching and line cutting a raised mass of sulphides is being conducted by Corporation Falconbridge Copper on Rea Gold Corporation's property in the Adam's Lake area of British Columbia about 60 miles north-east of Kamloops.

HW, AR
82M/4W
(OBSM 191)

Trenching on 25-metre centres on the existing zone is being done to map any assay surface bedrock showings exposed by the trenching. Drilling done during the winter on the zone indicated 150,000 tons averaging 0.43 oz. per ton gold, 3.5 oz. per ton silver, 0.7% copper, 3.6% zinc and 3.1% lead.

Rea President L.W. Reaugh says diamond drilling will follow geophysical, geological and geochemical surveys.

Falconbridge holds an option to earn a 51% interest in the property.

GCNL #82

27 APR 1984

REAGOLD CORPORATION (REO-V) AR

82M/4W

FIELD WORK WILL START IN - Larry W. Reaugh, president of Rea Gold Corporation reports being informed by Corporation EARLY MAY AT ADAMS LAKE Falconbridge Copper that a contract has been awarded for 55 km of linecutting, preparatory to geophysical, geochemical and geological surveys on their joint venture gold property in the Adams Lake area, Kamloops mining division, B.C. Trenching will start immediately on the known mineralized zone. This will be followed by diamond drilling on the anomalous zones. Attempts to get on the property in mid-April were thwarted by spring break-up.

MINER APR 1984

82M/4W
(082M 191)

HN, AR, REA

Falconbridge on Rea Gold property
Corporation Falconbridge Copper has completed one phase of drilling on the Rea Gold property at Adams Lake, some 37 miles northeast of Kamloops, British Columbia. Falconbridge can earn a 51% interest in the interesting Rea Gold project, and is continuing with geological mapping, geophysics, and trenching on the 6200-acre property to define further drill targets.

Defined so far is a possible reserve of 150,000 tons grading 0.43 oz/ton gold, 3.5 oz/ton silver, 0.7% copper, 3.6% zinc, 3.1% lead. Open pit mining appears feasible.

MINER 3 MAY 1984

Rea Gold says that Corporation Falconbridge Copper has contracted out geophysical, geochemical and geological surveys on their Adams Lake joint venture which, despite some early success in the main zone, has been relatively unexplored to date. Trenching is also scheduled to begin immediately for that zone to be followed by diamond drilling on that and any other anomalous zones discovered. Falconbridge tried to get into the property in mid-April but the spring breakup prevented it, says Rea Gold.

82M/4W
AR HN

GCNL #89

8 MAY 1984

REAGOLD CORPORATION (REO-V)

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

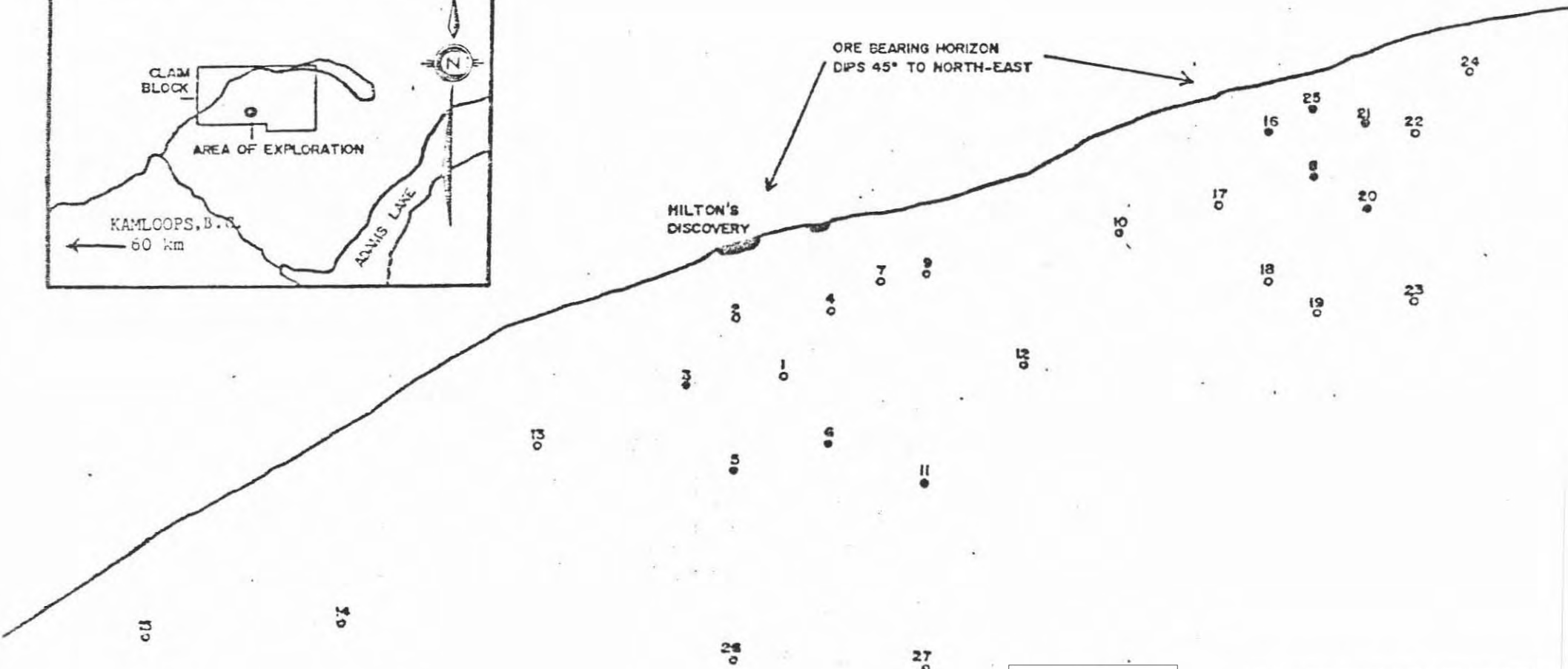
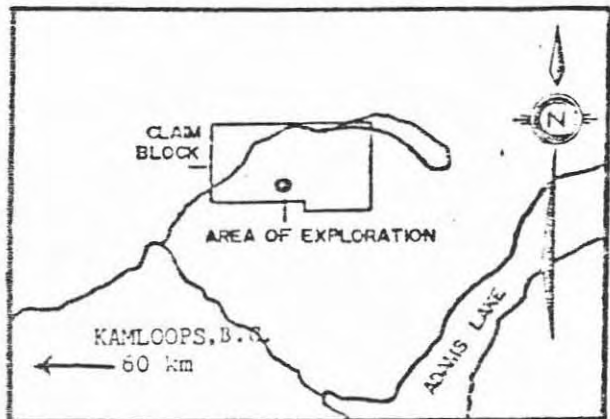
ADAMS LAKE AGREEMENT WITH - Larry W. Reaugh, president of Rea Gold Corporation, reports that Corporation Falconbridge FALCONBRIDGE DETAILED Copper (CFC), pursuant to the terms of the Adams Lake option agreement between Rea Gold and CFC dated 5Nov84, has made their \$30,000 property payment.

The agreement calls for CFC to expend a minimum of \$2,000,000 (approximately \$500,000 now spent) on exploration; make property payments totalling \$250,000 (\$130,000 now received) and provide a study of feasibility to place the mineral claims into commercial production on or before 4May86 in order to earn their 51% interest in the property. CFC is also obligated to fund or guarantee Rea Gold's cost of placing the property into production.

Rea Gold also granted options to CFC to buy 4,400,000 common shares of the capital stock of Rea Gold at prices ranging from \$3 to \$10 over a three year period in order to obtain a 50.6% interest in Rea Gold Corporation. The options are for 200,000 shares at \$3 up to 4May84; 1,200,000 shares at \$3 up to 4Sep84; 1,000,000 shares at \$5 up to 4Jul85; 1,000,000 shares at \$8 up to 4May86 and 1,000,000 shares at \$10 up to 4Nov86. CFC have decided not to exercise their 4May84 option on 200,000 shares at \$3. These options are non-renewable and cannot be exercised at a later date.

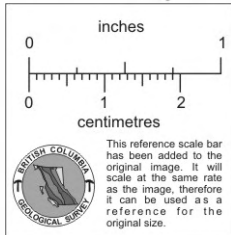
CFC's spring program on the Rea Gold property at Adams Lake is due to commence within the next few days. Rea Gold's application for listing on the Toronto Stock Exchange is expected to be approved within two to three weeks.

(21)



LEGEND

- 1 STRONGLY MINERALIZED
- 2 WEAKLY MINERALIZED (less than 0.2 oz/ton Gold equivalent over 8 feet)



REA GOLD CORPORAT
 ADAMS LAKE PROPERTY,
 LONGITUDINAL SECTION
 VIEW UP & TO NORTH EAST

80

REA GOLD CORPORATION

Hole No	Interval Metres	*True Width Metres	Oz. Gold/T	Oz. Silver/T	Copper	Zinc	Lead
RG-1	52.5-52.7	* .2 (8")	.041	.23	.01	.13	.08
RG-2	23.9-29.6	*5.7 (17.0')	.031	.57	.03	.27	.21
	14.5-16.0	1.5 (5'-0")	.013	.98	.17	.46	1.21
RG-3	33.7-35.7	*2.0 (6'-6")	.222	.47	.05	.17	.20
RG-4	37.0-37.5	* .5 (1'-8")	.021	.31	.12	1.88	.91
RG-5	70.5-72.2	*1.7 (5'-7")	.078	.42	.16	.75	.46
	72.8-73.2	.4 (1'-3")	.024	.36	.05	1.15	.56
RG-6	77.0-78.5	*1.5 (5'-0")	.268	1.00	.26	3.74	2.08
RG-7	41.5-42.0	* .5 (1'-8")	.081	.30	.04	.62	.53
	49.3-49.8	* .5 (1'-8")	.198	.96	.06	.52	.35
RG-8	45.95-49.3	*3.35(11.0')	.498	3.73	.59	2.47	1.49
RG-9	47.4-48.5	*1.1 (3'-6")	.018	.92	.36	1.80	1.78
RG-10	53.3-54.9	* 1.6 (5'-3")	.026	.60	.30	2.28	1.14
	58.7-60.7	* 2.0 (6'-6")	.059	.31	.01	.61	1.07
	(3 M of core lost between 54.9 and 58.7)						
RG-11	119.9-128.1	* 8.2 (26'-8")	.010	.21	.07	1.32	.70
incl.	119.9-121.45	* 1.55(5'-1")	.020	.65	.24	4.96	2.68
RG-15	45.0-45.3	* .3 (1-0')	.012	.20	.16	.82	.59
	(40% core recovery)						
RG-16	14.7-16.15	1.45 (4'-9")	.219	6.13	.87	9.20	7.16
		* 1.00 (3'-3")					
RG-17	32.0-33/5	1.50 (5'-0")	.032	.03	N/A	N/A	N/A
		* 1.10 (3'-5")					
RG-19	92.9-94.4	1.50 (5'-0")	.032	.20	.01	.03	.02
		* 1.10 (3'-5")					
RG-20	53.6-55.2	1.60 (5'-3")	.196	3.14	.59	4.70	3.92
		* 1.13 (3'-8")					
RG-21	14.8-24.8	10.00 (32'-6")	.314	3.61	.43	3.48	2.94
		* 7.11 (23'-3")					
RG-22	34.7-36.2	1.50 (5'-0")	.06	.43	.16	1.22	.81
		* 1.10 (3'-5")					
RG-25	13.6-25.2	11.60 (37'-8")	.517	4.25	.82	4.93	3.89
		* 8.12 (26'-5")					
RG-27	166.5-168.0	1.50 (5'-0")	.053	.10	.01	.32	.07
		* 1.10 (3'-5")					

GCNL #60 24 MARCH 84

REA GOLD CORPORATION (REG-V) HJ, AR CORPORATION FALCONBRIDGE COPPER (FCL-T, N) B2M/4W

WORK TO RESUME SHORTLY AT - Corporation Falconbridge Copper has informed Rea Gold Corporation that work will resume on ADAMS LAKE, B.C. PROPERTY the Adams Lake property located 60 km northeast of Kamloops, B.C. when the snow is off the ground which is expected to be in mid April. Work will consist of trenching, detailed mapping, line cutting, geophysical and geochemical surveys and diamond drilling.

In order to earn a 50% interest in the property Corporation Falconbridge Copper must expend a total of \$2,000,000 by 4 May 86.

To date, drilling has indicated a possible 150,000 tons grading 0.43 oz. gold/ton, 3.5 oz. silver/ton, 0.70% copper, 3.6% zinc and 3.1% lead, which could be amenable to open-pit mining. The value of metals per ton is approximately \$330/ton Cdn.

GCNL #61 27 MARCH 84

REA GOLD CORPORATION (REG-V) HJ, AR CORPORATION FALCONBRIDGE COPPER (FCL-T, N) B2M/4W

ASSAY RESULTS AND DRILL HOLE LOCATION LONGITUDE SECTION - In GCNL 60(84), page one, a story outlines the program planned on the Adams Lake, B.C. property of Rea Gold Corporation and Corporation Falconbridge Copper. Overleaf page two and page three of this News letter are tables of the assays from 20 holes and a longitudinal section of the intersections. These are the results used in the calculation of the 150,000 tons of indicated possible reserves grading 0.43 oz. gold/t, 3.5 oz. silver/t, 0.70% copper, 3.6% zinc and 3.1% lead, which could be amenable to open-pit mining. The values of metals per ton is approximately \$330/ton Canadian.



Falconbridge completes Rea drilling

By David Duval

Corporation Falconbridge Copper has concluded the first phase of its drill program on Rea Gold's Adams Lake project located approximately 37 miles northeast of Kamloops, B.C.

Falconbridge has an option to earn an undiluted 51% interest in Rea and the property by spending a minimum \$2 million on exploration and providing a feasibility report within a 30-month period.

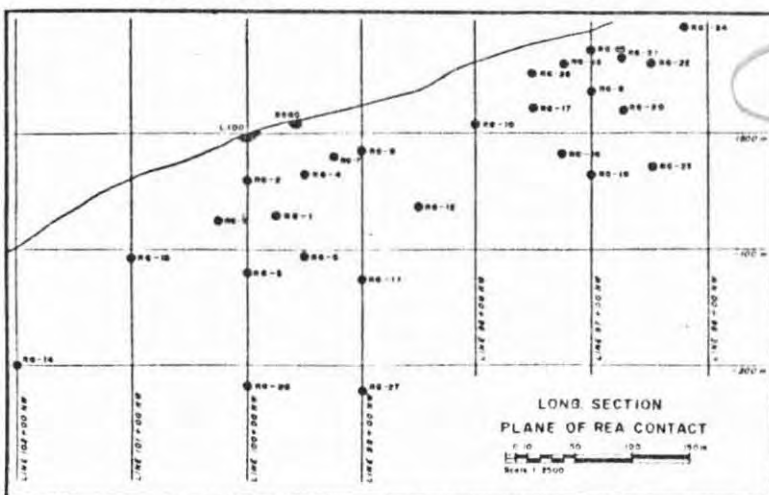
Larry Reaugh, president of Rea Gold, told the annual meeting that Falconbridge has completed 25% of its commitment already and more funds will be expended by it this year. Rather than continue drilling, Falconbridge has opted to do some geological mapping, geophysics and trenching to locate other drill targets on the large 6,200-acre property which is relatively unexplored. This work will begin after the snow melts. No specific date has been set for the resumption of drilling but The Northern Miner gathers it could be late in the year.

Falconbridge exploration manager for Western Canada, David H. Watkins, says the prospect appears to host a stratabound base-precious metals deposit unique in the area because of its gold content.

The deepest hole to date was about 650 ft. below surface and the highest grade values (gold) intersected were about 1,000 ft. from the original showing along strike.

Asked why the program was stopped in the higher grade area, Mr. Watkins said that several blank holes in the zone indicated it has been delimited. The company wants to test the shallow potential before drilling deeper although borehole geophysics indicates an apparent sulphide body at depth, says Rea Gold's consultant. A drill is on the property and probably will remain there until drilling resumes.

Falconbridge has defined a possible reserve of up to 150,000 tons grading 0.43 oz. gold per ton, 3.5 oz. silver, 0.7% copper, 3.6% zinc and 3.1% lead which could be amenable to open pit mining.



This is the first longitudinal section of the Rea drill program released by Corporation Falconbridge Copper. One of the best intersections to date occurred in RG-25 which returned 0.517 oz. gold over a true width of approximately 26.5 ft. RG-21 gave 0.314 oz. gold across 23.25 ft. while RG-20 returned 0.196 oz. over 3.75 ft. Silver values in these intercepts ranged from 3.14-4.25 oz. and good base metal values were also reported. The high grade values were near surface and interestingly enough drilling produced disappointing results below the discovery showings (1-100 and 9,960). Some of the holes in the section have yet to be reported.

THE NORTHERN MINER March 22, 1984 21

Falco Copper making strides

Backed by a strong treasury, Corporation Falconbridge Copper is moving rapidly ahead on several new developments, including the Lac Shortt gold property being brought into production west of Chapais, Que., and the Winston Lake copper-zinc deposit near Schreiber, Ont.

At the latter, President Come Carboneau says in the annual report work has started on the sinking of a 510-m shaft (cost, \$7.6 million) for underground exploration to further delineate the deposit.

Reserves at Winston Lake, held under option from Zenmac Explorations, are estimated to be 2,950,000 short tons at a grade of 0.94% copper, 17.8% zinc, 0.74 oz. silver per ton, and 0.025 oz. gold per ton.

Mr. Carboneau says the underground program at Winston Lake will evaluate the significance of intersections from a number of holes which encountered additional mineralization underlying the main zone, with higher gold and lower base metal values.

At last report, (N.M., Nov. 24/83) the company was contemplating the possibility of moving an existing mill at the former Sturgeon Lake joint venture the 125-mile distance to the Winston Lake site.

A production shaft being put down at the Lac Shortt gold deposit site is being deepened to 615 m to permit detailed delineation of the reserves below the 300-m level and other exploration.

Expected to go into production toward the end of 1984, the \$43-million Lac Shortt mine has estimated reserves of 2.2 million tons, grading about 0.2 oz. gold per ton.

In its first three years of operation, it is expected to produce 50,000 oz. gold per year.

Falconbridge Copper has also been busy on other exploration work across Canada, including a joint venture managed by Falconbridge Limited, on a large property adjoining the Kiama Gold Mines holdings near Val d'Or. Diamond drilling totalled 14,084 m in 42 holes and a number of significant intersections were obtained, Falconbridge Copper says.

And, on property optioned from Rea Gold Corp. at Adams Lake, B.C., Falconbridge Copper has now outlined from a 25-hole program a possible 150,000 tons grading 0.43 oz. gold per ton, and with values in silver, copper, zinc, and lead.

The company earlier (N.M., Feb. 16/84) reported a net loss in 1983 of \$39,000, compared with a loss of \$2,160,000 in 1982.

Working capital, as at Dec. 31, 1983, was \$91,014,000, compared with a figure of \$101,133,000 at the same time the previous year.

NMINER 8 MARCH 84 HWAR 82M/4W

Falco Copper outlines tonnage on Rea Gold prospect in B.C.

A small but good grade gold mine with significant base metal content, could be shaping up at the Adams Lake, B.C. property of **Rea Gold Corp.**, held under option by **Corporation Falconbridge Copper**.

From 25 holes put down to date on the property, Falconbridge says it has now outlined a possible 150,000 tons grading 0.43 oz. gold per ton, 3.5 oz. silver, 0.70% copper, 3.6% zinc, and 3.1% lead.

The company says the best intersections to date are within 50 m (160 ft.) of surface, making the deposit amenable to open pit mining.

One of the most recent holes, for instance, RG-25, returned an intersection of 37 ft. 8 in. (est. true width, 26 ft. 5 in.) at a grade of 0.517 oz. gold, 4.25 oz. silver, 0.82% copper, 4.93% zinc, and 3.89% lead, from a depth of 13.6 m to 25.2m.

Exploration drilling has so far been confined to a small area of the property, Falconbridge points out, and the known mineralized structure is open down dip and to the northwest.

M. J. Knuckey, vice president exploration, tells *The Northern Miner* further drilling will start again later this year, and continue through the balance of the year.

"We will probably also need some additional check assays to firm the current estimated reserve figure," Mr. Knuckey says.

Meantime, bore hole geophysical surveys are being carried out on the property to determine possible extension of the known mineralized zones, and to locate other massive sulphide horizons.

Falconbridge Copper recently (N.M., Feb. 16/84) said it was optioning a property adjoining the Rea Gold property to the southeast, from **Austin Resources**, and **Apex Energy Corp.**

Work is expected to start on this prospect, including geophysics and geochemistry, as soon as weather permits, Mr. Knuckey says.

CANADA-WIDE

reduce overhead and enhance the research capabilities of Sudbury and Lakefield.

The company also disclosed plans to sell 230,000 common shares through Dominion Securities Ames Limited, Wood Gundy Limited and Burns Fry Limited. The shares will be sold for \$71.50/share.

Inco consolidates operations

Inco Alloy Products Company has consolidated its international operations under Inco Alloys International. This brings Inco Limited's nickel alloy manufacturing businesses in the US and the United Kingdom, Huntington Alloys, Huntington West Virginia and Wiggins Alloys Limited, Hereford England, under one management with an integrated worldwide marketing and sales capability and production facilities in the US and the UK.

William F Bissett, president of Huntington since 1979 has been appointed president of the new company, which will be headquartered in Huntington.

Kidd Creek raises zinc prices

Kidd Creek Mines Ltd has raised its zinc prices in the US by two cents/pound and in Canada by three and one half cents/pound. The new prices for high grade and special high grade are 51¢ US and 63.5¢ Canadian. Prime western and continuous line zinc with controlled lead rise to 51.50¢ US and 64.00¢ Canadian. The new prices for continuous line zinc with aluminium added are 51.75¢ US and 64.25¢ Canadian.

Rea Gold Corporation signs option agreement with Selco

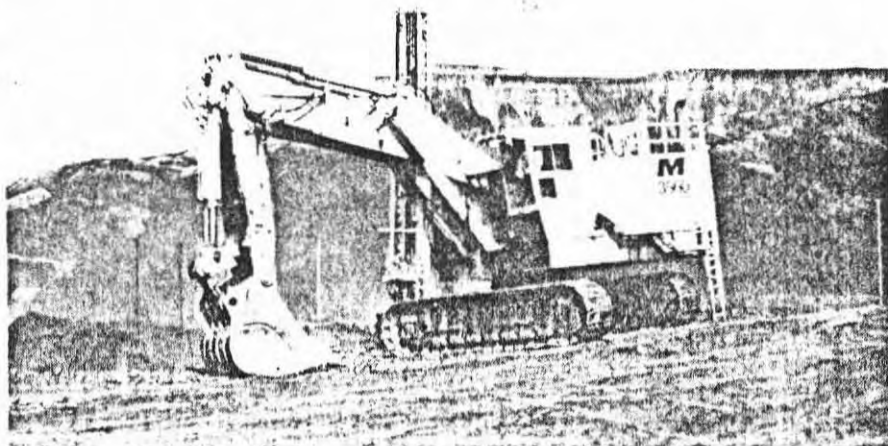
Rea Gold Corporation has signed an option agreement with Selco, Inc, a subsidiary of British Petroleum Ltd, on Rea Gold's Add Moly precious and base metal claims, located 12 miles south of Cache Creek, in the Kamloops mining district of BC.

The contract calls for Selco to spend \$1.5-million for exploration of the property during the next five years to earn a 51 percent interest. Rea Gold will receive \$125,000 in option payments over the next five years. Selco will be solely responsible for taking the property to a feasibility study and making a production decision.

Suncor completes earth dyke

One of the world's largest earth-built dykes has been completed by Suncor Inc at its oil sands mine in Fort McMurray, Alberta as part of a large tailings pond containment program.

The dyke stretches nearly 3km long, is



Teck's Bullmoose Mine (northeastern BC); 16m³ hydraulic excavator; coal shipments started 1 Dec 83

550m thick at the base, towers 79m and is wide enough at the top to take the equivalent of a major two-lane highway.

The dyke is bigger than the famed Nurek earth dam in the USSR which has 58-million m³ of fill, and even larger than the Gardiner earth dam in Saskatchewan (66-million m³).

Lingan 3 plant operating

Nova Scotia's Power Corporation's Lingan No 3 unit is now fully operational. Nova Scotia Department of Mines and Energy Minister Joel R Matheson announced (Jan 84) that the 150-megawatt coal-fired unit became commercial following the completion of commissioning tests.

The start up was about six weeks ahead of schedule and indications are that the final cost will be some \$133-million (\$25-million under budget).

The early completion saved \$5-million in interest costs alone. Substantial cost reductions were also realized in the areas of civil and electrical works.

The completion makes Lingan the largest generating station in the province at 450 megawatts from three units, and is the latest move in the Corporation's program to reduce its dependency on imported oil for the generation of electricity. (Unit 3 should reduce oil use to below 20%.)

The fourth Lingan unit is scheduled for completion in September 1984. Each unit will use 400,000 tons of Nova Scotia coal annually, or about 60% of Cape Breton Development Corporation's annual production.

FIRST BULLMOOSE COAL SHIPMENTS FROM RIDLEY

The first ship carrying 59,000 tonnes of Bullmoose coal left for Japan from the new coal port at Ridley Island, BC, on 10 January 1984.

RE Hallbauer, Senior Vice-President, Teck Corporation, said that additional ships were scheduled to arrive on 11 and 17 January, and were expected to bring total coal shipped and sold for the month to 151,000 tonnes.

The Bullmoose mine is a joint venture between Teck Corporation (51%), Lornex Mining Corporation (39%), and Nissho Iwai (Canada) Limited.

Aluminum output expansion

Kaiser Aluminum & Chemical Corporation is to restart an aluminum-producing potline at its Mead smelter near Spokane, Washington. About 90 workers were recalled (Jan 84) to reactivate the line, which was expected to begin production in March 1984. With this restart, the number of lines in operation will be up to seven, or 87.5% of the plant's capacity. Mead Works has a total of eight potlines, with a total capacity of 220,000 tons per year.

The addition of the Mead line will bring Kaiser Aluminum's primary operating rate to 49% of its annual rated world capacity.

Placer Development active in Australia

Kidston Gold Mines Limited, an Australian subsidiary of Placer Development Limited, will place its gold property in northeast Queensland, into production. Production is scheduled to begin before the end of 1985. With this mine, Placer will have developed four precious metal mines in Canada, Mexico, US and Australia since 1980.

The concentrator will have a design capacity of 7,500 tonnes/day but throughput will be higher in the initial years because of the processing of oxide ore. Throughput in the first year is expected to average 11,800 tonnes/day. The projected annual production in the first five years will average 6,000kg of

15



CANADA-WIDE ACTIVITY IN MINING

Mary Davies

104B/IW
(104B 021)

Granduc copper mine to close

Continued low copper prices led to Esso Minerals Canada's decision to permanently close the Granduc copper mine near Stewart, BC in the spring of 84. The mine's 400 employees will be laid off gradually as various operations associated with production wind down.

In announcing the closure, E M Berthelsen, President of Esso Minerals, complimented the mine employees for their cooperative assistance in prolonging the life of Granduc during the past two difficult years. Royalty payments received from Granduc for years in which production exceeded one ton of concentrate had amounted to approximately two-thirds of the company's revenue in recent years.

L

Increased grant offered to Canada Talc Industries

The Ontario Ministry of Natural Resources has increased its offer of a grant from \$675,000 to \$825,000 to enable Canada Talc Industries Ltd to increase talc production at its plant at Madoc and at new facilities to be constructed at Marmora.

Canada Talc has increased its planned investment by one million dollars, to \$3.8-million, which will be used to modify its existing facility and install enlarged grinding and classifying equipment at the Marmora facilities. Output from the two operations will be more than 80,000 tonnes/year of combined talc and dolomite products.

H.N.,
AR,
P.E.F.
BAM/IW
(BAM/IW)

Corporation Falconbridge completes drilling

Corporation Falconbridge Copper completed 15 diamond drill holes, totalling 1,726m on the Kamloops area property optioned from Rea Gold Corporation.
Volcanogenic mineralization

Meet your friends at 'The Prospectors' PDA meeting, Toronto, 4-7 March 84

Once again 'The Prospectors' is due to attract exploration and mining people from all over the place to an active period of meeting old friends and sharing technical sessions, seminars, and (not least) a lot of entertainment.

To put it formally, the 52nd annual meeting and convention of the Prospectors and Developers Association will be held in the Royal York Hotel, Toronto, Ontario, 4-5-6-7 March 1984. The theme of the meeting is 'Canadian Mineral Opportunities — Risks and Rewards'.

The general meeting gets under way on 4 March (Sunday) with the President's Reception for delegates and guests (4pm), and is followed by an informal get-together and free entertainment.

The formal proceedings start (4 March 8am) with the first of the exploration seminars (geochemical); the geophysical seminar is at 4.30pm. This year there are seminars covering other subjects: two legal seminars (6 March); a gold sampling and an isotope seminar (7 March). Poster displays on the three days will show the work of the provincial and territorial geological surveys.

The keynote session (5 March) will discuss the conference theme via: M N Anderson, chairman of Cominco Ltd; E G Thompson, president of Lacana Mining Corporation; and P Glenshaw, Glenshaw Inc, Reston, Virginia, looking at Canada as an area for mineral investment.

A joint luncheon with the Canadian Club of Toronto will hear Hon Michael Wilson MP PC, caucus spokesman for Industry, Trade and Commerce, and Regional Economic Expansion.

On the first afternoon, a panel will discuss 'Who takes the risks — who gets the rewards?' from the points of view of the prospector, junior mining company and its investors, operating mining company, product buyer, and lender.

Sessions on 6 March will deal with 'Technical advancement — risks and

rewards' (9.30am), and 'R-T-R factors' (2pm). The first looks at geologic models, geophysics, geochemistry, and remote sensing. The second is of considerable current interest with its discussion of international and North American financing, gold mining, costs and cash generation, equities, and 'effort, risk and reward' in relation to Hemlo and Post-Hemlo.

The final day (7 March) starts with a look at the provincial scene by representatives from British Columbia, Manitoba, Ontario, Québec, Nova Scotia, and Northern Labrador. Massive sulphides, gold, kimberlite, and the Strange Lake deposit are among minerals involved.

Looking at the optimistic side, the closing session talks about 'New discoveries'. Included are: Pascalis Gold; Cameron Lake gold; Windy Craggy massive sulphide; Cannon Mine, Wenatchee, Washington; Hemlo update; the Komis deposit, Waddy Lake area, Saskatchewan.

Entertainment. Those who know 'The Prospectors' subscribe to the idea that 'all work and no play makes Jack a dull boy'. There surely are not many dull people at this event, and a range of entertainment is provided. A supper dance, floor show, and casino (5 March 7.30pm) will be a Roaring Twenties Party, with just about everything. On 6 March there is a University of Toronto Alumni reception (5pm) followed by the 19th annual all-star hockey game at Maple Leaf Gardens.

The final day (7 March) winds up on 8 March. It starts with a reception (6pm) and the annual Mining Day Banquet (6.30pm), and proceeds to the annual Mining Day Dance (from 9.30pm).

There is an extensive ladies' program of visits, talks, and shows.

Prospectors and Developers Association, Suite 219 - 159 Bay Street, Toronto, Ontario M5J 1J7; (416) 362-1969.

encountered to date appears to occur as thin discontinuous lenses. The two best intersections assayed 0.59% copper, 1.49% lead, 2.47% zinc, 3.68% arsenic, 128 grams/tonne silver, and 17.1 g/t gold over a width of 3.35m, and 0.26% copper, 2.08% lead, 3.74% zinc, 7.73% arsenic, 34 g/t silver and 9.2 g/t gold over a width of 1.5 metres. Drilling and exploration will continue.

93L/IW
(093L 001)

Equity Silver reducing staff

Equity Silver Mines Ltd will reduce its work force by 60 and suspend leaching operations at its silver mine near

Houston, BC, indefinitely, effective 30 April 84.

The closure will not impact production. The company said the move is possible because mining has shifted to the main ore body which has lower impurity levels. The volume of metals available for sale in concentrate will remain unchanged.

Falconbridge to relocate labs

Falconbridge Limited will relocate its metallurgical laboratories from Richmond Hill, Ontario to Sudbury and Lakefield effective July 84. The move will

14

Rea Gold Now Exploring 26,000 Plus Acres Of Canadian & U.S. Precious Metal Properties

by Desmond Bachelor

Over the last few years, Rea Gold, under the Presidency of Larry Reaugh, has assembled a very good looking group of Canadian and United States precious metal properties.

The conservative manner in which these acquisitions were made tended to keep the company as a relatively low-profile Vancouver junior. Rea Gold jumped into investor prominence with its announcement of a major gold strike in the Adams Plateau area of British Columbia. *AR, H, J, B, M, L, D, (B, M, P, I)*

The 6,200 acre Adams property was optioned from J. Allan Hilton, who is credited with the initial discovery. A program of geophysical and geochemical surveys identified a 2,000 foot coincident anomaly open to the northwest.

The first assay from the "Discovery Zone" returned 1.320 ounces of gold, 7.30 ounces silver, 2.60% copper, 7.80% lead and 3.20% zinc per ton. The second showing assayed 0.605 ounces gold, 2.89 ounces silver, 0.33% copper, 2.90% lead and 4.42% zinc.

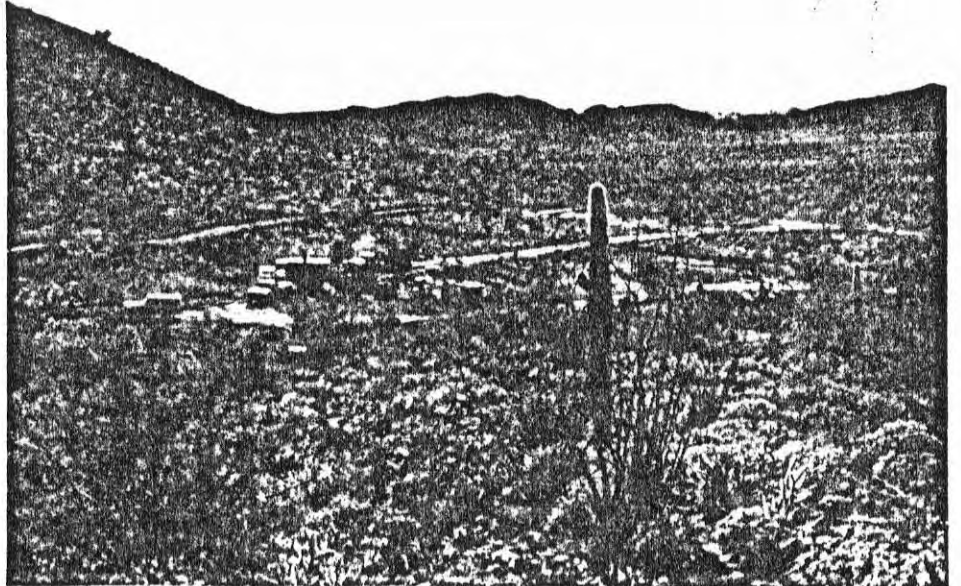
The property has been optioned to Corporation Falconbridge Copper who have the right to earn a 51% interest in the property by expending a minimum of \$2 million on exploration and providing a feasibility study within a thirty month period. During this period Falconbridge has the option to purchase 50.6% of the company's treasury stock at prices ranging from \$3.00 to \$10.00 per share.

Prior to the Adams Lake discovery, Rea Gold's B.V.O. property in Yuma County, Arizona was one of its principal areas of exploration. The B.V.O., in joint venture with Vancouver-based Lincoln Resources has received considerable attention and drill indicated tonnage on the property's Verdstone Vein has increased to 149,450 tons averaging 0.239 ounces of gold and 1.91 ounces of silver per ton, with the vein open to the east, west, south and to depth.

Exploration continues on the property with induced polarization and geological mapping being carried out. Several major mining companies have expressed an interest in the B.V.O. and the joint venturers are currently compiling all the information for presentation.

Rea Gold has two additional U.S. properties, one in the Comstock Lode area of Nevada and one in Shasta County, Redding, California.

The Comstock property, The Brunswick Lode claims, optioned from the Comstock Tunnel & Drainage Company, have a strike length of approximately 12,000 feet. Rea Gold's option covers 4,000 feet of strike length on the



Work crews on the Verdstone vein at Rea's BVO property near Yuma, Arizona

Sutro Tunnel Mineral Grant. In the late 1800's two mines operated on the north boundary and one mine operated on the south boundary. Little work was done on the Rea Gold ground as it was part of the Sutro Mineral Grant.

Geological and geochemical surveys were made in 1983, covering surface and underground and several drill targets were defined. Samples ranged from 0.01 to 0.656 ounces of gold per ton and 0.08 to 6.62 ounces silver per ton. Rea Gold is currently seeking a joint venture partner to further develop the property.

The 600 acre Redding, California properties were acquired by staking. The claims which lie to the north of Vancouver-based Terramar Resource Corporation's gold property, are currently under geological study by Consulting Geologist Douglas Blanchflower.


Rea Gold's remaining three properties are all located in British Columbia, at Cache Creek, Tillicum Mountain and Lytton. *92I (NW)*
Add, Red Hill property at Cache Creek, which covers 3,000 acres, has been optioned to Selco, the minerals division of BP Exploration Ltd. Selco has the right to earn a 51% in-

terest in the property by expending a minimum of \$1.5 million on exploration and development. The feasibility of bringing the property to production will be Selco's decision solely.

Past work on the property has identified several anomalies, the largest measuring 2,600 x 7,500 feet. Selco has been active during the past four years on property to the east of Rea Gold's property and considerable diamond drilling has been completed. *82F/3E; 82K/3E*

The Tillicum Mountain claims are also another of Rea Gold's joint ventures, this one with Hudson Resources. Hudson has the right to earn a 50% interest in the property by doing \$70,000 worth of exploration. Trenching and diamond drilling is planned for mid-summer of 1984. *92I/4E*

The Mount Roach property at Lytton is being joint ventured with Yucana. Earlier exploration identified a mineralized section of vein 450 feet long and four feet wide averaging 0.113 ounces of gold per ton. Rea and Yucana are reviewing the property to further explore its precious metal potential.

Rea Gold Trades on the Vancouver Stock Exchange Symbol REO 

NO.9(1984)
JANUARY 13, 1984

GCNL #9

13 JAN 84

AR, HN

82M/4W

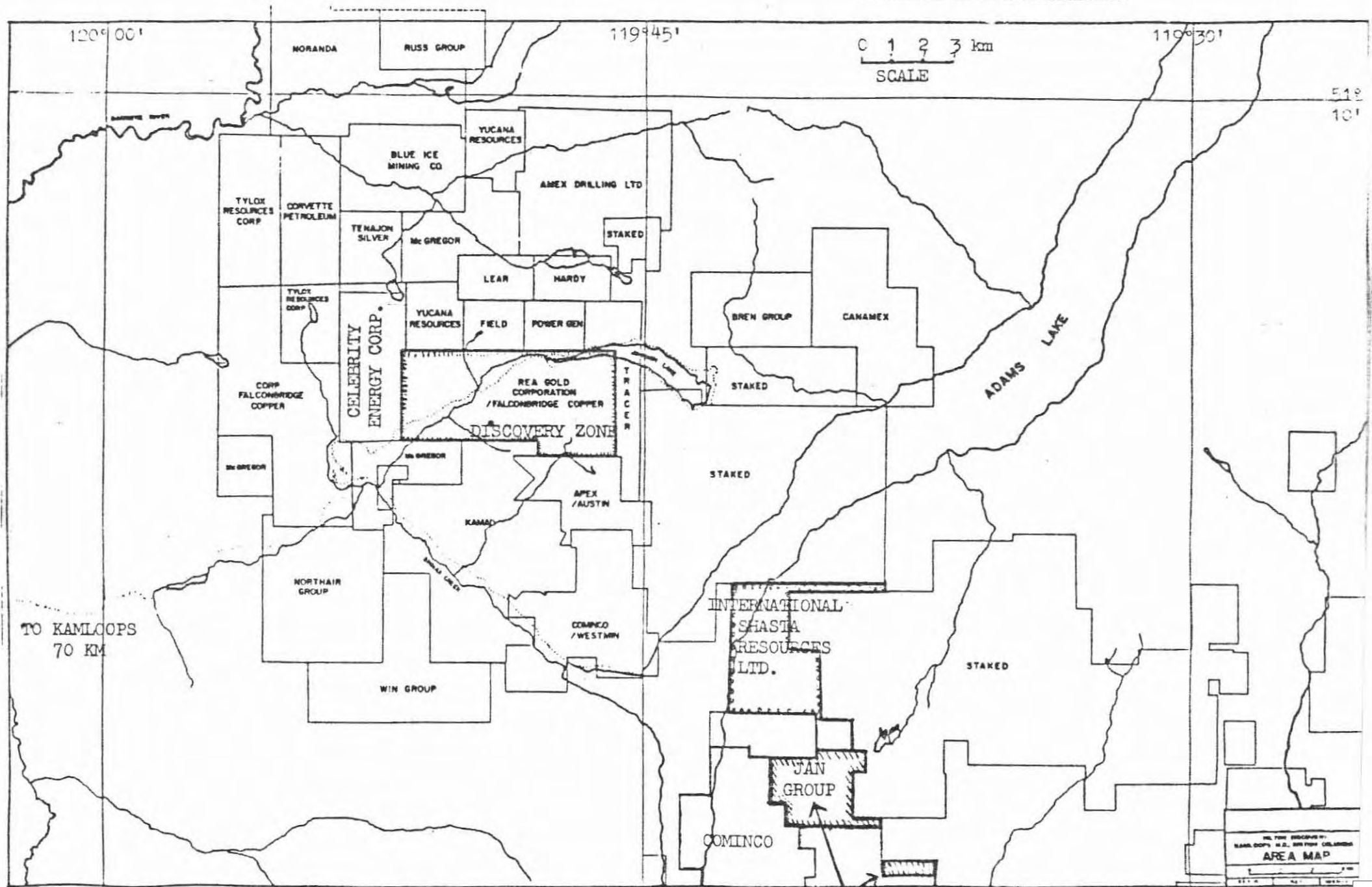
REA GOLD CORPORATION

CORPORATION FALCONBRIDGE COPPER

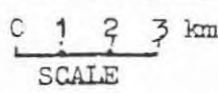
DRILLING WILL RESUME SHORTLY ON - Larry W. Reaugh, president of Rea Gold Corporation, reports
ADAMS LAKE'S DISCONTINUOUS LENSES being advised that Corporation Falconbridge Copper have
completed 15 diamond drill holes totalling 1726 metres on
the property west of Adams Lake optioned from Rea Gold Corporation some 60 miles NE of
Kamloops, B.C. Falconbridge say volcanogenic mineralization to date appears to occur as
thin discontinuous lenses. The two best intersections assayed 0.50 ounce gold per ton,
3.73 oz. silver/t, 0.59% copper, 1.49% lead, 2.47% zinc and 3.68% arsenic over a width of
3.35 metres (10 feet 11 inches) and 0.27 oz. gold/t., 1.00 oz. silver/t., 0.26% copper, 2.08%
lead, 3.74% zinc and 7.73% arsenic over a width of 1.5 metres (4 feet 10 inches).

Falconbridge add, " Results will continue to be evaluated. Exploration and drilling
will resume in mid-January." (See map overleaf page 2).

h



TO KAMLOOPS
70 KM



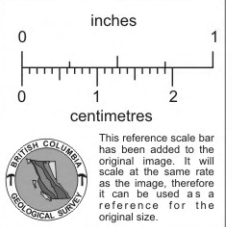
51°
10'

1	2
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LEADER RESOURCES INC.
KATHERINE CLAIMS

REG RESOURCES

AREA MAP



11

MINER 8 DEC 1983

Drilling continues on Rea Gold property

82M
4W
HN,AR

Corporation Falconbridge Copper says drilling is continuing at the precious-base metals property near Kamloops, B.C. it holds under option from Rea Gold Corp., following disappointing results from the first two holes drilled on the property.

Falconbridge Copper says while heavy sulphides were encountered in the deeper of the two holes (200 ft.), no significant values were returned. A shallower hole (100 ft.), which also hit heavy sulphides, assayed 0.038 oz. gold per ton, and 0.8 oz. silver per ton over a core length of 17 ft.

A spokesman for the company says results are likely this week from the continuing drill program, intended to explore the coincident geophysical-geochemical anomaly. It has a known strike of 1,500 ft., and is open to the northwest.

GCNL #7 11 JAN 1984 HN,AR

82M/4W CORPORATION FALCONBRIDGE COPPER

MORE DETAIL GIVEN OF - The initial announcement that Rea Gold Corporation has granted ADAMS LAKE AGREEMENT Corporation Falconbridge Copper (CFC) an option to earn 51% interest in Rea's gold prospect near Adams Lake, B.C. (GCNL 218(83) refers) included only highlights of their 5Nov83 agreement (not 9Nov83 as was earlier indicated). More detail has now been provided.

To exercise the option, CFC must, before 4May86, pay Rea a total of \$250,000, spend at least \$2,000,000 on property work and complete a feasibility study. Rea has granted CFC options to buy up to 4,400,000 shares of Rea being on 200,000 at \$3 each, good through 4May84, 1,200,000 at \$3 each through 4Sep84, 1,000,000 at \$3 each through 4July85, 1,000,000 at \$8 each through 4May86 and 1,000,000 at \$10 each through 4Nov86. It has been indicated that CFC would then own about 50.6% of Rea's outstanding shares.

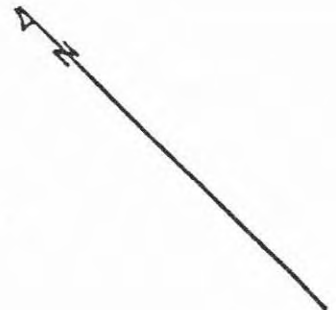
Diamond drilling is scheduled to resume on the Adams Lake property on Jan.13 or 14, 1984. A progress report on the results to date is expected to be issued in the next few days. Meetings between the managements of Rea Gold and CFC are expected to take place in the next few days.

REA GOLD/FALCONBRIDGE

Hilton Discovery

ADAMS PLATEAU AREA, B.C.

100 00



SAMPLING LIMIT

RG 1

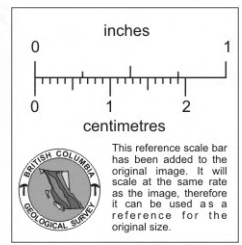
RG 2

Au Ag
Discovery 1.0 6.5
Showing 0.6 2.9
oz/ton

TO KAMLOOPS
70 KM.

SAMPLING LIMIT

100 M
1:5000



Soil Contours (ppb Au)

10
100
1000

100 00

6

NMINER 1 DEC 1983

Massive sulphides said encountered on Falco Copper bet

Although at press time senior officials of Corporation Falconbridge Copper could not be reached for comment, The Northern Miner understands from unofficial sources that the company has encountered massive sulphides over good width in two drill holes on the precious-base metal property near Kamloops, B.C., it holds under option from Rea Gold Corporation.

Chip samples taken previously on the property (N.M., Nov. 17/83) yielded an impressive showing averaging 1.32 oz. gold per ton, 7.3 oz. silver, 2.6% copper, 3.2% zinc, and 7.8% lead over an estimated width of 3.2 m (10.4 ft.).

Under the option agreement with Rea Gold, Falconbridge can earn a 51% interest in the property with an expenditure of at least \$2 million over the next two and a half years.

Speculation has pushed Rea Gold's stock to over the \$5 mark in very heavy volume lately — quite a jump from mid-October, when the stock was trading at a year's low of 71¢ on the VSE.

82M/4W
HJ
AR

GCNL #235

5 DEC 1983

82M/4W

NO. 235 (1983)
DECEMBER 5, 1983

REA GOLD CORPORATION

CORPORATION FALCONBRIDGE COPPER

Sample	Oz. gold/T.	Oz. Silver/T.
#1 (fresh sulphides)	0.601	2.36
#2 (fresh sulphides)	0.608	2.62
#3 (leached sulphide)	0.410	3.14

See GCNL No. 222 page 2, Nov. 16, 1983 for surface assay results).

GOOD GOLD ASSAYS REPORTED FROM SECOND-ON STRIKE-SURFACE SHOWING

Larry W. Reaugh, president of Rea Gold Corporation has reported that on the Adams Lake, B.C. property a massive sulphide showing has been uncovered 130 feet southeast

of the Hilton discovery and appears to be 10 feet in width. The extension coincides with the geophysical and geochemical anomalies. The VLF - EM the Pulse EM and soil sample anomalies coincides with both showings and have been traced for a strike length of 600 metres (1968 feet) and is open to the northwest. The highest values obtained for Au, Ag, Cu, Pb and Zn are 2950 PPM, 20+ PPM, 826 PPM, 4000+ PPM and 4000+ PPM, respectively. Assay from grab samples are shown in the table.

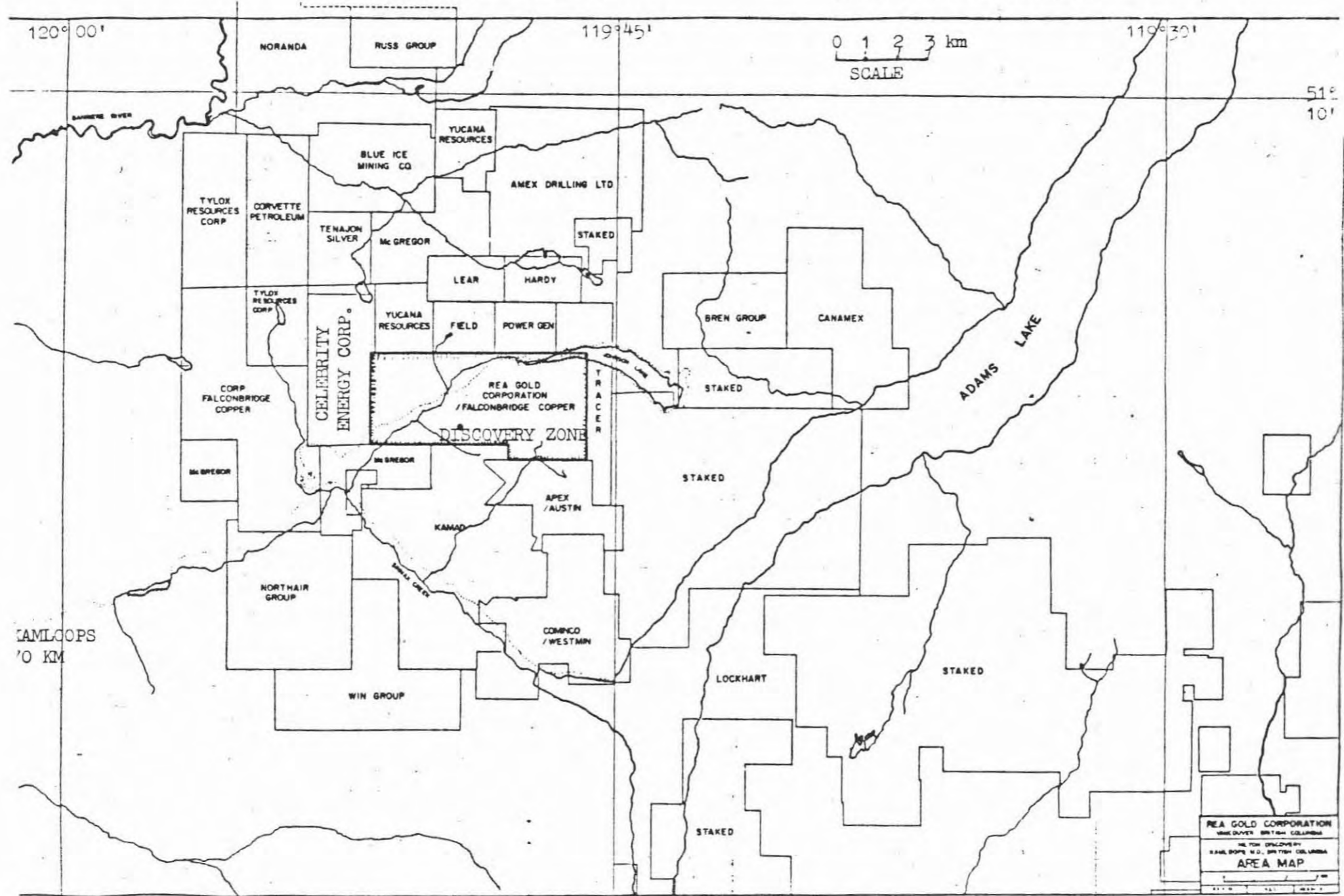
The president states that Falconbridge have released partial precious metal drill assay results from holes RG-1 and 2. The holes were located in the area of the Hilton Discovery on a weaker portion of the VLF anomaly and were 25 metres apart and drilled at -50 degrees southwest and were located 50 metres and 20 metres northeast of the Hilton discovery (see map overleaf page 2). Heavy sulphides were encountered in both holes. The balance of the gold and silver assays have not been received. No assays have been received by Falconbridge on the base metals. The holes were weakly mineralized with precious metal, the best section being in hole RG-2 which assayed 0.033 oz/ton gold, 0.70 oz/ton silver over a total core length of 17 feet.

The two holes encountered a thick section of intensely silicified brecciated and pyritized felsic volcanics which indicated that only the margin of the massive sulphide zone has been encountered and confirm a volcanogenic system.

The low gold grades reflect the variable concentrations of precious metals in base metal massive sulphides. It is probable that occurrences of gold concentrations equivalent to those found on surface will be found underground. Two drill rigs continue the drilling program.

REA GOLD CORPORATION

ADAMS PLATEAU AREA, B.C.



10 KM

REA GOLD CORPORATION
 VANCOUVER BRITISH COLUMBIA
 REA GOLD CORPORATION
 VANCOUVER BRITISH COLUMBIA
 AREA MAP

0 1
 inches

0 1 2
 centimetres

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.

INT. PROS. + DEV. NOV/DEC 1983

New Backing Adds Lustre to Rea's Stock

by Jade Hemeon

AR, DISCOVERY

(82M/4W)

The shares of Rea Gold Corporation have strengthened noticeably on the Vancouver Stock Exchange since the company announced a joint venture with Corp Falconbridge Copper to develop a precious and base metals property at Adams Lake Plateau, 55 miles northeast of Kamloops, B.C. Recently trading at around \$5.00 they have soared from their yearly low of 61 cents.

Earlier this month Falconbridge Copper and Rea Gold announced the signing of an agreement by which Falconbridge may acquire a 51% interest in Rea's property by spending a minimum of \$2 million on development and completing a feasibility study before May 1986. Under the agreement Falconbridge also has the option to acquire up to a 51% share interest in Rea Gold itself for prices that escalate over 30 months from \$3 to \$10 a share.

Samples taken by Falconbridge Copper averaged 1.32 ounces of gold per ton, 7.3 ounces of silver per ton 2.6% copper, 3.2% zinc and 7.8% lead over an estimated width of 3.2 metres.

According to Rea President Larry Reaugh, drills are now on the property and he expects

to see some results within two weeks. Rea's results have triggered a staking rush and companies in the area include Austin Resources, Lear Oil and Gas, Yucana Resources and Noranda Mines.

Rea Gold, which was listed in 1981, was named Rea Petro until April 1983. It was formed to enter the oil and gas business while financing mining property development with cash flow, but as it turned out the company devoted all of its resources to acquiring mining properties. This year it completed a \$951,000 financing on the VSE to help finance property expenditures.

Although the Adams Lake property is generating the most excitement right now, Rea also has a property in Yuma County, Arizona with drill indicated reserves of 149,450 tons averaging 0.239 of an ounce gold per ton and 1.91 ounces of silver. The property is being developed in a joint venture with Lincoln Resources which bought 250,000 shares of Rea last February at \$1.00 per share and advanced \$400,000 for exploration to receive a 51% interest in the property. About \$600,000 has been spent on development since work began in

February 1982. The deposit is still open to the east, west, south and at depth and a second phase \$400,000 drilling program has just begun.

Rea also holds properties in the Comstock area of Nevada and the Tillicum Mountain area of British Columbia. The company also has a prospect near Ashcroft, B.C. and has just signed an agreement with Selco Inc. a subsidiary of British Petroleum, which will spend \$1.5 million on exploration in return for a 51% interest in the property.

Selco may increase its interest to 70% by paying a further \$2 million. If the property is put into production, Rea will receive not only 30% share of revenue but a royalty amounting to 10% of Selco's 70% share, or an additional 7% of total revenue.

Jade Hemeon is the Financial Times Vancouver Bureau editor, this article has been reproduced with the permission of the Financial Times

INT. PROS + DEV NOV/DEC 1983

Rea Gold Hits New Gold Discovery at Adams Lake, B.C.

AR DISCOVERY, AN (82M/4W)

Larry Reaugh, President of Rea Gold has announced that geophysical surveys are underway on its new discovery at Adams Lake, B.C. The surveys, under the supervision of Consulting Geologist Doug Blanchflower, are being conducted northwest and southeast of the "Hilton" discovery zone. A continuous VLF conductor has been indicated 200 metres northwest and 300 metres southeast along strike from the discovery pit and is open at both ends. Readings from the southeast portion are three times stronger than those taken over the discovery pit.

Assay results of the D-6 tractor trenching on the Hilton Pit gave an average over 12'3" of 1.02 ounces gold, 4.98 ounces of silver, 1.72% copper, 3.82% lead and 2.29% zinc per ton.

82M/91

1.5 oz. silver for the property but no gold values. No doubt gold would be the focus of any Noranda exploration. Three separate claim groups are involved in the deal, comprising 167 units which Orell has been exploring for over six years. Noranda also appears to be on the verge of finalizing a joint venture agreement with Hardy International Developments for a property located one mile north of Rea Gold.

400 (4W)

NOTED 8 DEC 1983

(9)

GCNL #218 10 NOV 1983

82M/4W

NO. 218 (1983)
NOVEMBER 10, 1983

REA GOLD CORPORATION

CORPORATION FALCONBRIDGE COPPER

FALCONBRIDGE COPPER SAMPLE RESULTS FROM TRENCH

Width M.	Ft.	Oz. gold/t	Oz. silver/t	Copper	Lead	Zinc
3.2	10 1/2	1.32	7.3	2.6%	7.8%	3.2%

REA GOLD SAMPLE RESULTS FROM TRENCH

12 1/4	1.02	4.98	1.72	3.82	2.29	
--------	------	------	------	------	------	--

SAMPLE RESULTS PRIOR TO TRENCHING

5	1.32	7.42	1.81	6.08	0.62	
---	------	------	------	------	------	--

DEAL MADE ON ADAMS PLATEAU
PRECIOUS/BASE METALS CLAIMS
By a Nov. 9, 1983 agreement, Rea Gold Corporation has granted Corporation Falconbridge Copper an option to earn 51% interest in Rea Gold's precious and base metal property

at Adams Lake, 50 miles north east of Kamloops, B.C. by spending at least \$2,000,000 on the project and completing a feasibility study. Rea Gold would then have the right to participate in a joint venture with 49% interest.

Falconbridge will also have the option to acquire up to about 50.6% share interest in Rea Gold for prices escalating over 30 months from \$3 to \$10 per share.

Falconbridge Copper will start an exploration program on the property immediately and will continue it through the winter.

Samples taken by Falconbridge confirm the previously reported samples taken by Rea Gold. Larry Reaugh, president of Rea Gold, stated that the showing have been examined and sampled by representatives of 19 companies in the past few weeks. Each of the firms made an offer to Rea Gold to participate in the ongoing exploration. He noted that 15 of the 19 sample results from the property visitors were higher than those obtained by the company. The massive sulphide mineralization is located in what is called the Hilton pit which has been bulldozer trenched. The pit is located 300 meters northwest of the present south east end of a VLF conductor which has been located over a 500-meter length. The conductor is open to possible extension and geophysical, geochemical and geological surveys are underway toward establishing further length to the zone. The property is considered to have a large tonnage potential. (See GCNL No. 213, page two, No. 209, page two for previous property data and location map.)

Further detail of the terms of the agreement are expected to be announced in a few days.

GCNL #222 16 NOV 1983 REA GOLD CORPORATION

HN, AR

82M/4W

Laboratory	Length	Oz. Gold/T	Oz. Silver/T	Copper	Lead	Zinc
Kamloops Labs	4 m.	1.00	6.47	2.22%	7.31%	3.65%
Chemex Labs	4 m.	1.00	6.50	2.22%	7.00%	3.62%
Bondar-Clegg	3 m.	1.139	5.36	3.1%	7.35%	4.75%
	3 m.	1.268	5.97	3.60%	6.23%	4.00%
Falconbridge	3.2 m.	1.32	7.30	2.60%	7.80%	3.20%

CHECK ASSAYS TEND TO
CONFIRM ORIGINAL ASSAYS

Larry W. Reaugh, president of Rea Gold Corporation, has reported check assays from the

gold discovery at Adams Lake Plateau, 55 miles northeast of Kamloops, B.C. as shown in the adjoining table. These generally confirm earlier assay results reported in GCNL 218(83).

Details of the Corporation Falconbridge Copper (51%)/Rea Gold Corporation (49%) agreement are: \$100,000 upon execution (now paid); \$30,000 option payments commencing 4May84 and every six months to 4May86; minimum of \$2,000,000 of exploration expenditures before 4May86. If additional exploration expenditures are required, costs will be funded by Corporation Falconbridge Copper, to be recouped by Corporation Falconbridge Copper from production revenues.

Rea Gold has granted to Falconbridge: 200,000 shares at \$3.00 per share up to 4May84; 1,200,000 shares at \$3.00 per share up to 4Sep84; 1,000,000 shares at \$5.00 per share up to 4Jul85; 1,000,000 shares at \$8.00 per share up to 4May86; 1,000,000 shares at \$10.00 per share up to 4Nov86.

Falconbridge Copper will guarantee a production loan for Rea's portion of capital costs.

GCNL #227 23 NOV 1983 REA GOLD CORPORATION

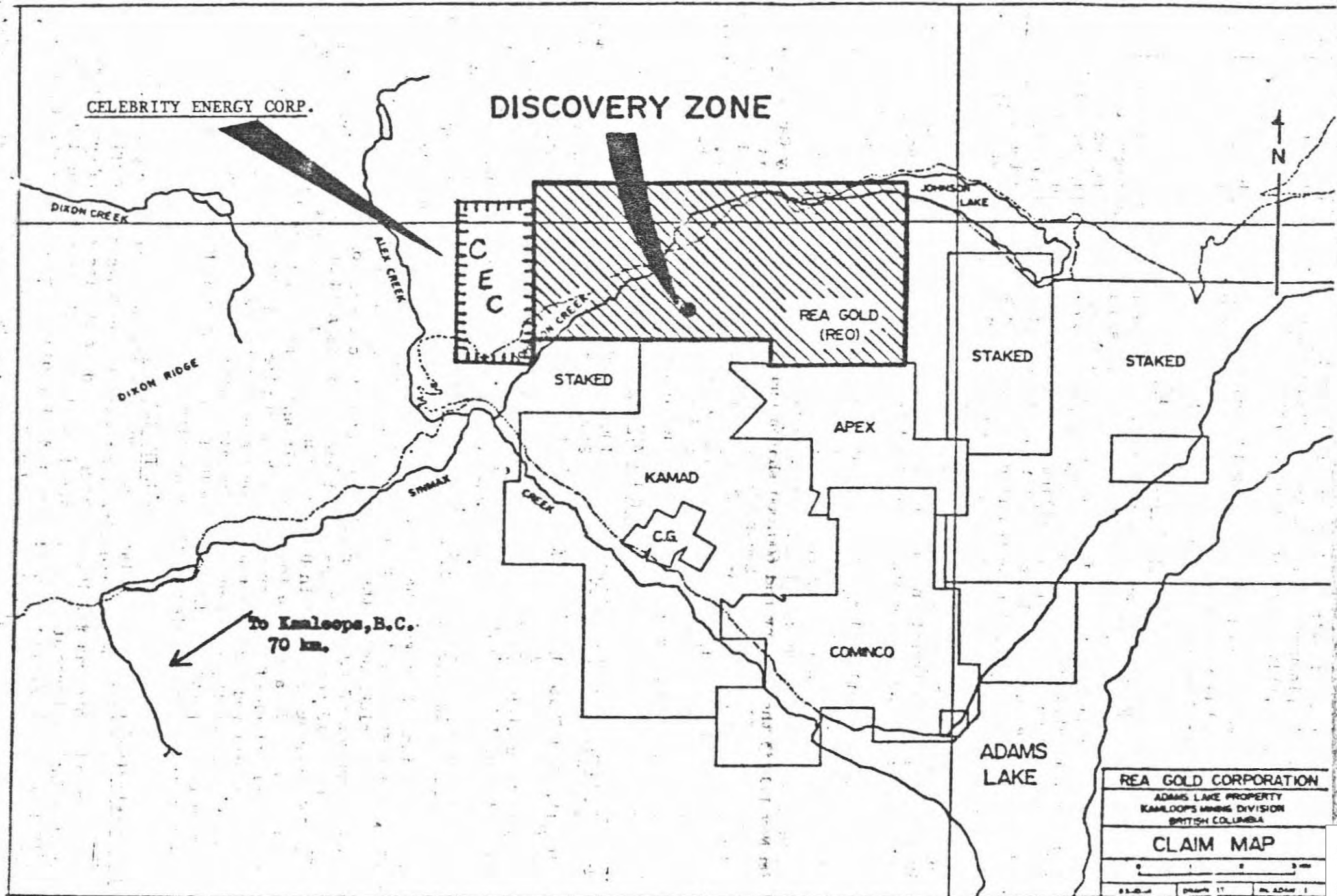
82M/4W

DIAMOND DRILLING AT - Larry W. Reaugh, president of Rea Gold Corporation, reports being ADAMS LAKE STARTING advised by Corporation Falconbridge Copper that two Longyear Super 38 drill rigs have arrived on the Adams Lake precious/base metals discovery about 70 km NE of Kamloops, B.C. NQ core drilling should start about 23Nov83. See property location map on reverse of page 2 and see GCNL 222 and 218(83) and formers for surface sample assays and the two firms' property development agreement.

GCNL #228 24 NOV 1983 REA GOLD CORPORATION

82M/4W

ADAMS PLATEAU CLAIMS - The map showing claim holdings in the Adams Plateau area of B.C. MAP IS ON PAGE 2 BACK mentioned in the story on Rea Gold Corporation in GCNL227(83) was, by error, not published in that letter. It is printed on the reverse of page 2 of this letter.



REA GOLD CORPORATION
 ADAMS LAKE PROPERTY
 KAMLOOPS MINING DIVISION
 BRITISH COLUMBIA

CLAIM MAP

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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.

F

GCNL #213

3 NOV 1983

REA GOLD CORPORATION

82M/4W

Sample No.	Interval, Feet		Length Meter	Gold	Silver	Copper	Lead	Zinc	MORE ASSAYS FROM SIGNIFICANT MULTI-METAL DISCOVERY IN B.C.
	From	To		Oz/Ton	Oz/Ton	%	%	%	
AR-83-3	0	-3'3"	1	1.20	11.50	2.24	11.00	4.57	Larry W. Reaugh, president of Rea Gold Corporation, announces that geophysical surveys, supervised by consulting geologist Doug Blanchflower, are now being conducted northwest and southeast along the strike of the Hilton discovery zone on the
AR-83-4	3'3"	-6'6"	1	1.08	5.54	3.65	1.34	2.72	
AR-83-5	6'6"	-9'9"	1	0.96	1.16	0.40	1.05	0.80	
AR-83-6	9'9"	-12'3"	0.75	0.76	0.61	0.20	1.26	0.66	
Average Over 12ft.3in.			3.75	1.02	4.98	1.72	3.82	2.29	
Taken prior to cut trench:									
AR-83-1	5ft. channel			1.32	7.42	1.81	6.08	0.62	company's property at Adams Lake, NE of Kamloops B.C. A continuous VLF conductor has been indicated 200 meters NW and 300 m SE along strike from the discovery pit and is open on both ends. Readings on the southeast portion are three times stronger than those over the discovery pit.
Sample taken in silicious tuff 40ft. east and 100ft. north of the Hilton Pit:									
AR-82-2	0-3ft.3in		1	0.056	0.52	0.02	0.17	0.03	

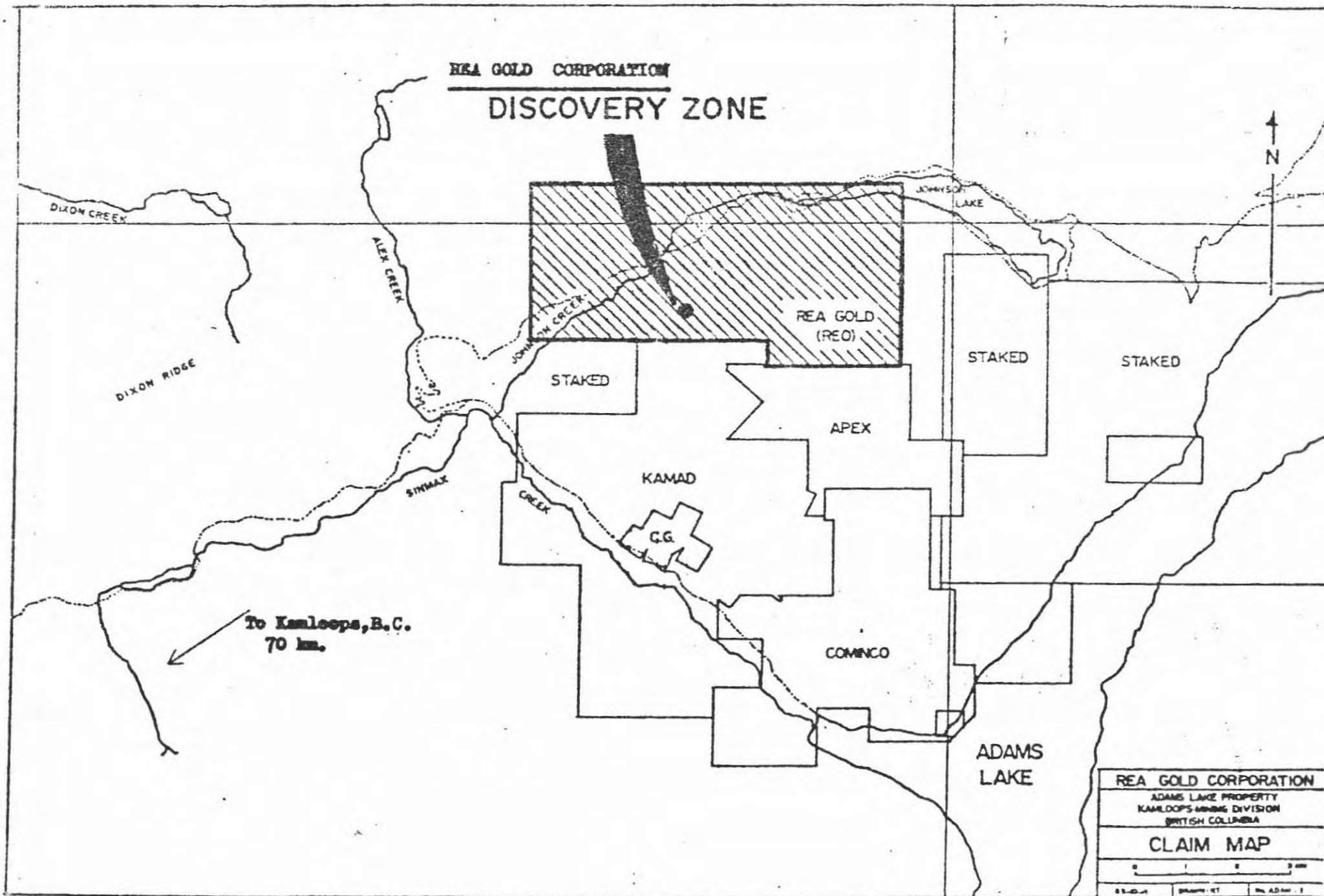
company's property at Adams Lake, NE of Kamloops B.C. A continuous VLF conductor has been indicated 200 meters NW and 300 m SE along strike from the discovery pit and is open on both ends. Readings on the southeast portion are three times stronger than those over the discovery pit.

Grid lines are being extended north and south of the existing VLF conductor and VLF, magnetic and geochemical surveys and geological mapping are in progress. Trenching and diamond drilling will follow.

Results of channel sampling by Mr. Blanchflower in a trench cut by a D-6 tractor along the Hilton showing are presented in the adjoining table. See GCNL209(83) for discovery detail and earlier assay results.

The claims are locally underlain by a thick andesitic to rhyodacitic sequence of volcanic rocks and minor sediments belonging to the Late Devonian to Early Mississippian Eagle Bay formation. At the discovery showing, the massive sulphide mineralization strikes 140° NW, dips -50° to -60° northeasterly and is exposed over an apparent true width of 3.75m, 12½ft. The massive sulphide mineralization is dark grey to black, fine grained and consists of pyrite, chalcopyrite, galena and minor sphalerite displaying primary breccia features. The massive sulphide body is stratabound, underlain by felsic and lithic tuff and overlain by a thick section of siliceous lithic tuffs with indicated precious metal potential. Preliminary results indicate a repetitive mafic to felsic volcanic sequence.

Mr. Reaugh says several major companies have sent representatives to the property and have indicated an interest in a joint venture.



REA GOLD CORPORATION
DISCOVERY ZONE

DIXON RIDGE

DIXON CREEK

ALEX CREEK

JOHNSON CREEK

JOHNSON LAKE

REA GOLD (REG)

STAKED

STAKED

STAKED

APEX

KAMAD

C.G.

SIMNAX CREEK

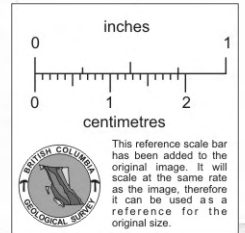
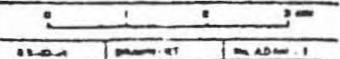
COMINCO

ADAMS LAKE

To Kamloops, B.C.
70 km.

REA GOLD CORPORATION
 ADAMS LAKE PROPERTY
 KAMLOOPS MINING DIVISION
 BRITISH COLUMBIA

CLAIM MAP



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GNL #209 280-77983

REA GOLD CORPORATION DISCOVERY, BC (82M/4W)

Sample No.	Footage	Oz. Gold/T	Oz. Silver/T	Copper	Lead	Zinc	MAJOR GOLD/SILVER DISCOVERY
AR 1 - 83	0-5 Ft.	0.294	4.94	0.99%	12.7%	6.76%	NEAR ADAMS LAKE, B. C.
AR 2 - 83	5-10	1.210	4.74	1.23	5.37	0.82	Larry W. Reaugh, president of Rea Gold Corporation has reported the company has
2	Grab	0.807	3.97	2.95	4.46	0.38	
3	Grab	0.699	5.80	1.43	7.20	2.56	

entered into a letter of intent to option to purchase a 100% interest (subject to 5% net smelter return) on 12 two post claims and three claims consisting of 36 units in the Kamloops Mining Division. The acquisition is subject to regulatory approvals. The claims are located three miles north of Kamad Silver's property estimated to contain 877,734 tons averaging 6.03 oz per ton silver and .028 oz per ton gold (see map overleaf).

The discovery was made when logging in the area uncovered a bright red gossan zone. Subsequent hand trenching on one part of the gossan exposed a significant massive sulfide vein with a true width of ten feet. The vein has since been trenched with a D-6 cat and has a true width of 12 feet 3 inches. No prior work has been evidenced in the area. Four one metre channel samples have been cut across the vein and are in for assay. Assay results on the 10-foot section are shown in the table.

Rea Gold has acquired 50 additional units through staking and is conducting geophysical and geochemical surveys to delineate the vein system. This will be followed by additional trenching and diamond drilling.