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LODE RESOURCE CORPORATION (LRC-V)

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LARGE CLAIM HOLDING ON - Lode Resource Corporation's main area of interest is concentrated in the Mt. McQuillan area VANCOUVER ISLAND REVIEWED 15 km SW of Port Alberni on Vancouver Island. The company controls 157 mineral claims about 7,800 acres, covering numerous precious and base metal mineral occurrences in the favorable Sicker series rocks.

Terence F. Schorn, president, reports that work on the Black Panther gold prospect in 1947 indicated a 200 foot long zone that assayed 0.67 oz/ton gold across 5 feet. It was developed by five adits. Two thousand feet to the southeast the Black Lion gold prospect is probably a continuation of the Black Panther zone. The Black Lion is a strong carbonate zone ranging up to 9 feet wide carrying values up to 1.2 oz/ton gold according to old reports. It is developed by 4 surface pits. Mr. Schorn says the "High Grade" veins can be traced on surface for over 1200 ft. with surface grades up to 5 oz/ton gold. Limited drilling has produced results of 0.43 oz/ton gold over 2 1/2 ft. widths. The veins have been located 150 ft. below the surface. He says the "Middle Vein" is strong structure that can be traced for over 1,000 ft. on surface. Grab samples have returned assays as high as 2.2 oz/ton gold. On the Summit Lake prospect, numerous gold bearing quartz carbonate veins are exposed. Surface sampling has produced values of up to 1 oz/ton gold and drilling has proven veins to extend to at least 500 ft. of depth with grades to 0.22 oz/ton gold across a 6 ft. width. In the Mt. Spencer area, widespread mineralization occurs with values of over 20 oz/ton silver and 5% copper reported from previous work. Massive sulfides discovered on the Raft claims coincide with a large geochemical anomaly and the showing is associated with an airborne magnetic anomaly. The Lode property adjoins the Nexus Resource Corporation property on the east on which Westmin Resources Limited are exploring the old Thistle Mine. There were 6,900 tons of ore containing 0.39 oz/ton gold and 4.56% copper mined previously from this prospect. It is reported the Westmin's volcanogenic type orebody at Buttle Lake 60 miles to the northwest is a model of what is being explored for at the Thistle.

Mr. Schorn notes that at Buttle Lake there is reported to be proven about 15,000,000 tons of polymetallic ore. Also, the old Mt. Sicker Mine about 36 miles SE of Mt. McQuillan produced over 300,000 tons of gold, silver, copper, zinc ore near the turn of the century. This orebody would have a similar environment to the Buttle Lake orebody to the northwest and again could be expected to be reproduced on the Lode property.

Besides Westmin, other major companies actively exploring in the general area include Corporation Falconbridge Copper, Noranda Exploration Co. Limited, Chevron Canada Resources Ltd., Esso Resources Canada Limited, Aberford Resources Ltd., Utah Mines Limited, Teck Corporation

Lode Resource plans to continue exploration work on the Mt. McQuillan/Mt. Spencer properties in 1985. A consultant engineer's report dated April 1983 has recommended an expenditure of \$1,700,000 for further exploration of the area including underground exploration of the Black Panther prospect.

Elsewhere, Lode Resource has 90% interest (Nexus 10%) in the Eros gold prospect in the Bralorne/Bridge River area about 100 miles north of Vancouver. The prospect is on strike to the south of the Levon Resources Ltd. property, which encompasses the old Congress Mine with a reported reserve of gold ore. The Lode claims surround the Old Senator, Turner, Fergusson and Reliance mines. Exploration on the Eros property is anticipated in 1985.

Lode Resource has 910,476 shares outstanding including 227,500 in escrow.