

Current Exploration

Diamond drilling will continue in 1988 on Reconnaissance Targets elsewhere on the property.

<u>Reserves</u>	Geological, possible, probable and/or proven	1,239,622 Tons <u>Proven & Probable</u>
	Number of zones	<u>2</u>
	Number of sample points	<u>79</u>
	Average grade	0.084 oz/T Au, 1.98 oz/T Ag, 3.59% Zn, 0.67% Cu 0.72% Pb
	Average thickness	<u>3.32 Metres</u>
	Cut-off grade	<u>\$50 U.S. (.11 Au equiv.)</u>

<u>Costs</u>	Recent exploration costs, i.e. this period	<u>\$4,100,000</u>
	Projected exploration costs of program to development	<u>\$2,800,000</u>
	Projected development costs given positive economics	<u>\$10,000,000</u>
	Projected operating costs given positive economics	<u>\$43/tonne</u>

CORDILLERAN ROUNDUP - SNAP SHOT REVIEWS

February 4, 1988

Property/Project

Authors:

O 92B 110 Name : Lara: Coronation Deposits Commodities Au, Zn, Ag, Cu, Pb
 NTS : 92B/13W
 Claims : Silver, Solly, T.L., Fang Names/Numbers
 Acreage: 9205 Acres

Agreements

Joint Venture between Abermin Corporation (65%) and Laramide Resources (35%).

History

Property staked by Laramide in May, 1981 and optioned to Abermin in September 1982. The Coronation deposits were discovered by drilling in December, 1984.

Exploration (Techniques)	Amount	Type	Cost
Period 1982 - 1987			
Diamond Drilling (220 holes), geophysics mapping, geochemistry, trenching.			4,100,000

Development	Amount	Type	Cost
Period 1988			2,300,000

Production	Tonnage(s)	Method	Grade
Period			

Geology

Regional Paleozoic Sicker Group, Vancouver Island. The property lies at the SE end of the Horne Lake-Cowichan Uplift which extends from Port Alberni to Saltspring Island (140 kilometres).

Local The property is underlain by volcanic rocks of the McLaughlin Ridge Formation (Sicker Group) which have been thrust over younger sedimentary rocks. The McLaughlin Ridge Fm. is a WNW-striking package of predominantly felsic volcanics with lesser intermediate volcanics. The Coronation Deposits are kuroko type massive sulphides and occur at the contact between fine grained rhyolite tuff and coarse grained quartz porphyry rhyolites (flow-dome complex). Host rocks are strongly silicified. Footwall alteration patterns have not yet been recognized.

EMR M R 223

Nov 1989

DEPOSIT	GEOLOGY	WORK	TONNAGES & GRADES	REMARKS
B.C. 87 92B 110 LARA Minnova Inc 92 B/13 48°52'50" 123°54'20"	Volcanogenic (py, sph, cp, gal and tetrahedrite) in one or more zones in Paleozoic felsic volcanics and sheared diorite of the Sicker Gp.	1983-85: geoph and geochem surveys, dd. 1986-87: dd, metallurgical tests and pre-feasibility evaluation. 1988: 2,300' of decline drifts, crosscuts and raises.	Ind and inf: 1,240,000 at 0.67% Cu, 0.72% Pb, 3.59% Zn, 1.98 oz/t Ag, 0.084 oz/t Au; includes a high-grade core of 583,000 at 1.01% Cu, 1.22% Pb, 5.87% Zn, 2.92 oz/t Ag, .138 oz/t Au (Laramide Res, Progress Report, 08/02/88) or prob: 172,000 at 0.113 oz/t Au, 3.08 oz/t Ag, 0.88% Cu, 0.99% Pb, 4.86% Zn and poss: 239,000 at 0.092 oz/t Au, 2.24 oz/t Ag, 0.82% Cu, 1.04% Pb, 4.23% Zn (Laramide Res, VSE LS 20/02/89)	
B.C. 88 92B 002 TWIN "J" (TYEE) Minnova Inc 92 B/13 48°52' 123°47'	Volcanogenic massive sulphides (py, cp, sph, gal, ba) in two parallel bands in Paleozoic Sicker Group cherty tuff, graphitic schist, rhyolite porphyry and diorite sills. One zone comprises py, cp, sph and gal in a gangue of barite, qtz and calcite; the other is mainly qtz and cp.	1890s-1907: developed as three separate operations by over 2 mi of workings in adits and a shaft. Two smelters built. 1924-39: intermittent expl and dev. 1942-52: dd, mill installed and operated part time. 1969-72: EM, IP and geochem surveys, dd. 1979-80: geoph and geochem surveys, dd. 1984-88: geoph and geochem surveys, dd.	350,000 at 1.6% Cu, 0.12 oz/t Au, 4.1 oz/t Ag, 0.65% Pb, 6.6% Zn c 1952 (NM 25/09/69)	Produced 10,000 tons Cu, 2,100 tons Zn, 200 tons Pb, 800,000 oz Ag and 38,000 oz Au from 306,000 tons ore, between 1898 and 1951.

CCW SYSTEMS LTD. (CWI-V)

TEN YEAR SUPPLY- CONTRACT SIGNED CCM Systems Ltd. reports it has signed a contract to supply Club Watermaster with \$69,175,000 worth of home water filter cartridges over a ten year period ending March 31, 1999. Club Watermaster, a manufacturer and distributor of consumer appliances, has placed an order for \$4,600,000 over the first 18 months of the contract. CCM Systems has renegotiated its agreement with Pall Corporation (PLL-AMEX) to extend its original five year agreement to a ten year agreement. CCM obtains finished filter cartridges from Pall Mall under a distribution agreement covering the U.S., Canada and South Korea.

EASTMAQUE GOLD MINES LTD. (EMG-V)

EASTMAQUE COMPLETES SUCCESSFUL- FIRST YEAR OF MINING OPERATIONS Eastmaque Gold Mines Ltd. reported that in its first year of operations, ended 30Jun88, gold production from its two producing projects located in California and Ontario totalled 19,858 ounces of gold, resulting in an operating profit of \$5,800,000.

The company's Cargo Muchacho project in California started achieving production levels in excess of 1,500 ounces per month during the last quarter of the year. Annual production totalled 12,775 ounces of gold. Production was solely from the Padre Madre heap leach operation. Permitting for phase 2 in the American Girl Canyon is expected in October 1988, with production beginning in the first half of 1989 at the rate of 3,500 oz gold per month once full production is achieved.

The Kirkland Lake project in Ontario produced 5,142 ounces of gold to May 31, 1988 and 1,941 ounces during the first full month of production in June, after the thickener and ball mill came on-stream in May. (SEE GCNL No. 110, P.2, 8Jun88, for previous article).

ABER RESOURCES LTD. (ABZ-V)**HEMISPHERE DEVELOPMENT CORP. (HSD-V; NSDMF-Masdaq)**

PROGRESS REPORTED- Aber Resources Ltd. and Hemisphere Development Corp. reports drilling on their 50-50 owned Sunrise project, 70 miles NE of Yellowknife, N.W.T., is continuing to add to the reported probable and possible reserves of 1,800,000 tons grading 14.4 oz. silver/ton, 10% zinc, 4.2% lead and 0.023 oz. gold/t. One of the two rigs on site is defining the shallower part of the zone and expanding its outer limits. A higher grade gold zone has been discovered on the margin of the shallower zone; hole R-46 intersected 5.6 feet of 0.142 oz. gold/t. Drilling to expand the gold zone is underway.

The second rig, which is probing the depth extension of the deposit, intersected 10.8 feet of 14.8 oz. silver/t 12.3% zinc, 6.0% lead and 0.056 oz. gold/t at a vertical depth of 1700 feet. This intersection lies within a broader mineralized envelope of 36.7 feet that assayed 5.3 oz. silver/t and 9.2% combined lead-zinc. The deposit remains open laterally to the south and to depth.

Surface exploration on the 30,000 acre property is ongoing and a number of geologically and geophysically favourable areas have been defined.

TRI-GOLD INDUSTRIES INC. (TGU-V)

DRILLING PROGRAM STARTED- Tri Gold Industries Inc. reports that 1,800 meters of drilling in 23 holes from 17 drill sites is underway on the Indian property, adjacent to Westmin Resources' Premier and Big Missouri properties near Stewart, B.C. The objective of the program is to define the economic potential of the 1,200 meter long Indian vein structure. Tri Gold can earn 49% of Esso Minerals 70% interest, net 34% interest, by spending \$478,000. Esso is the operator.

LARAMIDE RESOURCES LTD. (LAM-V)**ABERMIN CORPORATION (ABM-V, T)**

DRIFTING IN PROGRESS ON LARA PROPERTY- Laramide Resources Ltd. reports that the mine access ramp has reached the first level about 100 feet below surface at the Lara property on Vancouver

Island near Chemainus, B.C., owned 35% by Laramide and 65% by Abermin Corporation.

Two crosscuts 130 feet apart have intersected the mineralized horizon at this level where it has a full width of about 30 feet with about 8 feet of massive sulphides on the hanging wall. No assays have been reported at this time. Since mid-May, 1200 feet of underground work and 10 diamond drill holes have been completed. Ore has been confirmed by the crosscuts and for a further 160 feet by a drift in the mineralized horizon. Reserves indicated by drilling are estimated to be 583,000 tons averaging 1.01% copper, 1.22% lead, 5.87% zinc, 2.92 oz. silver/ton and 0.138 oz. gold/t with an average thickness of 8.7 feet.

PINERIDGE RESOURCES LTD. (PRE-V)

DOG AND PONY SHOW- Pineridge Resources Ltd., 51% owner of Canada's Finest Natural Water, Inc., is launching the "Canadian Natural 1", a \$500,000 food-grade barge built to transport 50,000 gallons of glacier water from Toba Inlet to the bottling plant in Richmond, B.C. on Tuesday, 26Jul88, 3:30 p.m., at Matsumoto Shipyards, 3829 Dollarton Highway, North Vancouver, B.C.

WESTERN CANADIAN MINING CORPORATION (WCD-V)

INTEREST IN WHITEMAN- BELT PROPERTY OPTIONED Western Canadian Mining Corporation has agreed to option a 12,000 acre property located 5 km northwest of the Huntington/Lacana Brett claims, 30 miles west of Vernon, B.C. Western Canadian Mining can earn a 60% interest for \$20,000 and by spending \$700,000 on exploration over a 4 year period. Upon completion of the expenditures the other interests will be held by: **COMOX RESOURCES LTD. (CXO-V) 10%; CASAU EXPLORATION LTD. (CUX-V) 8%; CURLEW LAKE RESOURCES INC. (CWQ-V) 8%; ATHABASKA GOLD RESOURCES LTD. (AHB-V) 6%; and** Abbex Explorations 8%.

FOR THE RECORD

CAPILANO RESOURCES INC. (CUZ-V) has completed the private placement of 500,000 shares at 15¢ with warrants on 500,000 share at 20¢ for one year sold to Pamela Taylor. Following the private placement but prior to the warrant exercise there are 4,167,973 shares issued. **LYSANDER GOLD CORPORATION (LYS-V)** has appointed Bruce A. Kennedy a director, replacing Tony Barker, who was tragically killed in June. Mr. Kennedy has been granted options on 40,000 shares at 44¢ each by 31Mar92.

NEW SPIRIT RESOURCES AND DEVELOPMENTS INC. (NSS-V) announced that subject to shareholder and regulatory approval it will subdivide its share capital on a 3-new for 1-old basis. A general meeting of shareholders has tentatively been scheduled for August 18, 1988. Also, New Spirit has agreed in principle to acquire Electronic Light Focusing Corporation for 150,000 post-split shares, of which 125,000 will be escrowed. New Spirit has advanced \$50,000 to Electronic Light Focusing.

OOATA SYSTEMS INC. (OO-V) has appointed Peter K. Crowder as vice president, marketing.

SPRINGFIELD RESOURCES LTD. (SPF-V) announces the acquisition of three mineral claims in the New Westminster Mining Division, B.C. The Bounty Gold, Katanga Gold and Maple Leaf Gold claims were purchased from George Stephenson of Calgary, Alberta, for \$5,000 and the issuance of 100,000 shares.

TEESHIN RESOURCES LTD. (TEE-V) has signed a letter of intent with **MOUNTAIN LAKE RESOURCES INC. (MOA-V)** to fund a \$275,000 exploration program over the next 12 months to earn a 50% interest in the Wicks Lake gold property in the Kenora Mining Division of northwestern Ontario. A considerable amount of work was done in the 1940's by Moranda Mines, when 5 veins carrying gold values were discovered. This work consisted of trenching, channel sampling, diamond drilling and bulk sampling. One section along the #3 vein, 200 ft. by 1.4 feet, was bulk sampled and averaged 0.95 oz. gold/t. Another section along the #5 vein, 120 ft. by 4.5 feet was channel sampled and averaged 0.32 oz. gold/t.

April 22/88

INTERNATIONAL PETROLEUM CORPORATION (IRP-V)

CIL PROJECT IN PAPUA - International Petroleum Corporation
NEW GUINEA OUTLINED action has agreed to assign a 20% interest in the petroleum prospecting license No.82, (PPL82) in Papua New Guinea, 15% to Ampol Exploration Limited and 5% to Oil Search Ltd. Ampol and Oil Search will earn their interests by contributing on an undisclosed portion of the well costs. International Petroleum, as operator, retains 80% working interest in the project. The assignment of interests is subject to government approval.

PPL 82 covers an area of 10,540 square kilometers in the Gulf of Papua approximately 240 km west of Port Moresby. The licence includes the Pandora feature, a large Miocene reef with a mapped areal extent of 80 square kilometers, located 60 kilometers south of the Pasca discovery. The Chancellorville drillship, out of Singapore, is scheduled to start drilling the target by June 1, 1988. International Petroleum has opened an office in Port Moresby to supervise the drilling operation.

PACIFIC STAR COMMUNICATIONS CORPORATION (PS-V)

SATELLITE CONSORTIUM INTEREST INCREASED - Pacific Star
 Communications has concluded agreements to increase its ownership in the Asia Satellite Consortium of HongKong to approximately 10%. The satellite system is dedicated to coverage of the Asian region, including China. Pacific Star will issue 1,266,667 shares, pay \$100,000 U.S. on closing and issue a 24-month note for \$750,000 to Pan Am Commercial Services for its approximately 50% interest in the Satellite Consortium. (SEE GCNL 40, Feb.26,1988 for details of the Satellite Consortium launch plans.)

Pacific Star has confirmed that a private placement of 2,100,000 shares at 80¢ each will be completed when share trading resumes, expected in a few days.

Upon completion of the agreement, Pacific Star will own 100% of Pacific General Communications Corporation which, in turn, owns 30% of Hutchinson Satellite Systems Limited and Hutchinson owns 33.3% of the Asia Satellite Consortium. Planning for implementation of the satellite project by the three-party consortium of Hutchinson Satellite Systems Limited, Cable & Wireless and an agency of the Peoples Republic of China is continuing toward a first quarter 1989 launch. A satellite progress report is expected shortly.

Trading in the shares of Pacific Star was halted April 8, 1988, because of an alleged claim arising from action of previous management taken in the early 1980's. The claim has been settled with no liability accruing to Pacific Star.

MAGELLAN RESOURCES CORP. (MGS-V)

FINAL MAJOR PERMIT OBTAINED - Anton Hendriksz, president
PRODUCTION EXPECTED IN MAY of Magellan Resources, reports that the final major outstanding permit for the Silver City heap leach facility has been granted by the State of Utah's Department of Health. Construction of the 750-ton per day heap leach facility, which Magellan is joint venturing on a 50-50 basis with North Lilly Mining Company, is nearing completion, and will commence operation in early

May 1988. Direct operating costs averaging less than the US\$100 per ounce of gold equivalent are anticipated.

The pre-feasibility study on Magellan's Southern Cross gold property in Deerlodge county, Montana, is being finalized. Drilling on the property has encountered a new ore zone to the southeast of the Red Net zone; results will be announced in the near future (See GCNL 49 p.1 for previous article and No.50 for map of the Southern Cross property).

LARAMIDE RESOURCES LTD. (LAM-V)

DECLINE RAMP STARTING - At their annual meeting on **ON THE LARA PROJECT** 21Apr88, Albert F. Reeve, president, told shareholders of Laramide Resources Ltd. that a contractor's crew of about a dozen men were now on the Lara property near Chemainus on Vancouver Island, B.C., to start some 2,700 feet of underground ramping and drifting. A 14 by 10-foot decline ramp is being started just west of Soil Creek and, in a westerly direction, will be advanced 1,000 feet to intercept the Coronation zone, probably in late May or in June. There, some 10,000 tons of ore grade material will be mined by drifting, raising a cross-cutting. This material will be submitted for metallurgical testing. Bench tests have shown the material to be the same as in a deposit mined by Westmin Resources near Butte Lake to the north.

Laramide's share of this \$2,300,000 program will be about \$800,000. At 31Dec87, Laramide had \$1,104,000 in cash and term deposits.

Exploratory drilling will probably start in the summer. By year end, the project should be close to production decision. Ore reserves indicated are inferred from drilling to 31Dec87 (See GCNL 27(88) p.1) would support a 500-ton per day mill, but, the geological potential is there to find more ore that would support a greater rate of production. Costs per ton are expected to be low for various reasons including low transport costs and that no camp is needed. Mr. Reeve expects pay-back within 2 years of the start of production.

Project interests are ABERMIN CORPORATION (ABM-V), 65% and Laramide 35%.

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

KILBORN AWARDED ENGINEERING FEASIBILITY - Minnova Inc. has awarded

Kilborn Engineering (B.C.) Ltd. a contract for the feasibility study on the Samatsum property at Adam Lake, B.C., joint ventured with Rea Gold Corporation. Kilborn will develop a 500-ton per day mill flowsheet including mill tailings disposal, tailings dam, service buildings and services for the project. The open pit and underground mine plans are being designed in-house by Minnova.

The Sam high grade silver deposit has reserves of 661,000 tons at 32.08 oz. silver/t, 0.052 oz. gold/t, 3.5% zinc, 1.7% lead and 1.2% copper. It is scheduled to be in production by mid-1989. Rea Gold has 30% working interest and retains a 5% net smelter return royalty on the entire property.

and 30 east vein. Gold recovery of 100% was calculated for the second sample.

Both samples were taken from the surface trenches in the discovery zone. The first sample (D-14) consisted of 247.1 tons of biotite schist taken from a trench approximately 4 meters wide, 1.5 meters deep and 8.0 meters long. This material was low grade material primarily used to start up and tune up the mill.

The second sample (36-east) was taken from a trench 2 meters wide centered on a quartz vein cross cutting both biotite schist and meta sandstone. The trench was 24 meters long and about 1 meter deep, and the 184.0 tons processed yielded an average grade of 0.106 oz/t gold. These results indicate the potential of the discovery zone for yielding open pit reserves on the property. (See GCNL No.240 p.2, Dec.15, 1987 for previous drill results and financings.)

Valentine can earn 75% interest by starting commercial production by 1May92 after spending \$4,550,000 on the property and by buying 425,000 units of Beau Pre, each comprising 1 share and 1 warrant. If all the warrants are exercised, then Valentine would pay Beau Pre a total of \$2,706,413 for 950,000 shares, in instalments, the last by 1May90. Beau Pre would retain 25% interest in net profit generated from the property.

BENTLEY RESOURCES LTD. (BYT-V)

HOLE NUMBER	INTERCEPT	WIDTH	GOLD OZ/TON
B.C. 88-20	142.5 to 160 ft.	17.5 ft.	.150
22	157.5 to 165 ft.	7.5 ft.	.153
23	192.5 to 217.5 ft.	25 ft.	.662
24	182.5 to 195 ft.	12.5	greater than .224
30	195 to 220 ft.	25 ft.	.126

NEW ZONE DRILL NO. 1 - Gold assays have been received HAS CUT GOOD GOLD GRADES from five holes drilled in a previously untested area located south west of the Roosevelt reserve block. Walter B. Ruck, chairman of Bentley Resources Ltd., reported the assays in the table above from the Bagdad Chase property, San Bernardino county, southern California.

The five holes average 17.5 ft. in thickness with a weighted average grade of .30 oz.gold/ton.

Assays from additional holes will be available in the next few days.

Additional drilling to define the structure and establish reserves are underway as part of a 16,000 ft. exploration and development drilling program designed to increase open pit reserves beyond the current 950,000 tons grading .147 oz.gold/ton. Stripping of the number 1 pit is on schedule for the production start up in the third quarter of 1988.

GTTY RESOURCES LIMITED (GEY-T)

TOTAL RESOURCES (CANADA) LIMITED

NEW DIRECTORS APPOINTED - Getty Resources reports

the appointment of three new directors from the Total Group of companies following the completion of a takeover bid by Total Resources (Canada). Total Resources acquired 94% of Getty's outstanding shares, or 87.6% fully diluted. The three new directors are Phillip de Boos-Smith, Jacques Le Chevalier and Jean-Pierre Januard. Mr. Januard has been

designed to further expand the geological inventory of:

	TONS	% ZINC	OZ./TON SILVER
	15.4 million	5.13	0.59
includes	7.5 million	7.24	0.75
includes	3.5 million	10.33	1.02
includes	1.5 million	14.36	1.40

Drilling to date has investigated only one third of the strike length of the favourable structure and the deposit remains open to depth.

FAIRCHILD RESOURCES INC. (FLD-V)

OPTIONS KEYSTONE PROPERTIES - Louis Wolfin, president of Fairchild Resources Inc., reported acquiring an option to purchase 100% interest in the Keystone properties, a 2,000 acre claim group near Eureka, Nevada, on the Battle Mountain gold trend.

Fairchild acquired the properties from Arista Gold & Silver Inc., who retain production royalties up to 5% and the right, under certain conditions, to reacquire 20% interest with a reduced royalty.

ABERMIN CORPORATION (ABM-V)

LARAWIDE RESOURCES LTD. (LAM-V)

TENDERS CALLED FOR 2700 - Abermin Corporation (65%) and FEET OF RAMP DECLINE Larawide Resources Ltd. (35%) plan to proceed with underground work and a feasibility study of their joint venture Vancouver Island gold-basemetals project located 10 miles north of Duncan, B.C.

Tenders have been called for a contract for 270 feet of underground ramping and drifting on the Lar gold basemetals project by the operator Abermin Corporation. It is anticipated that a contractor will be chosen this month and the work commenced shortly thereafter.

Ore reserves indicated and inferred by drilling to the end of 1987 are: 1,240,000 tons, grading 0.6% copper, 0.72% lead, 3.59% zinc, 1.98 oz silver/t, 0.06 oz.gold/t with an average thickness of 10.9 feet.

This includes a high grade core of: 583,000 tons grading 1.01% copper, 1.22% lead, 5.87% zinc, 2.92 c silver/t and .138 oz gold/t with an average thickness of 8.7 feet.

There is considerable geological scope for expanding this reserve in the extensive rhyolite formation on the Lara property.

The 1988 underground programme will permit assessment of mining conditions and further metallurgical tests so that a feasibility study can be completed.

FOR THE RECORD

TRIPLE STAR RESOURCE CORP. (TSR-V) common shs. were conditionally listed 8Feb88 on VSE. The shs. will not be called for trading until the Exchange has evidence of satisfactory distribution of the following offering. By 29 Jan88 prospectus registered 8Feb88 with B.C.Sup't.of Brs, Triple Star are offering 500,000 shs. at 60¢ per sh on VSE thru Marit Investment Corp. as agent on a day selected by the agent by 2Aug88. For the agent guarantee the offering, Marit will be issued non-transferable warrants to buy 125,000 shs. at 70¢ per sh. for 365 days from the date Triple Star shs. are called for trading on VSE.

092B110

092B 110

property in Mohave county, Arizona, was recently completed with encouraging results. The work included backhoe trenching in seven cuts, surface and underground sampling and geologic mapping, and geophysical surveying. Also, about 70 acres of adjoining federal mineral land were staked for the company.

A ground magnetometer survey confirmed that the Uno mineral trend continues strongly from the Uno mine shaft area underneath a shallow alluvium cover. Starting from 300 feet south of the shaft, the trend is characterized by a narrow magnetic low that widens and reaches lower magnetic lows for at least 1,300 feet, of which 900 feet of strike length are buried.

Additional trenching near the Uno mine shaft further extended the surface outcrop width of highly fractured, quartz-veined metamorphic rocks. One trench exposed a 52-foot width of 70% iron-stained quartz, carrying values ranging from 0.002 to 0.44 oz gold/ton. A second trench shows a lower but significant range of 0.022 to 0.07 oz averaging 0.04 oz across 42 feet.

Mapping and sampling of the 120 foot deep Uno mine workings and several hundred feet of lateral workings on two levels was also completed. Combined with recent surface geology data, and two earlier nearby exploration drill hole results, the gold-bearing zone in the mine appears to be faulted and folded, dipping flatly near the surface, then steeply westerly with depth. The key gold zone may be 40-50 feet thick, within a larger, mineralized zone up to 120 feet wide. Samples of faulted quartz gave a high value of 0.25 oz across 9 feet in a large stope 30 feet underground, and a low of 0.02 oz for 12 feet on the bottom (-120 ft) level. The bottom level appears to be driven along the underside of the mineral zone.

Whereas the gold-bearing structure in the Uno mine area is quartz-rich, the northern extension therefrom grades into a highly sheared zone of comparable width hosting disseminated and fracture-filled gold mineralization. This wide structure shows a good potential for locating significant tonnages of open pit oxide gold ore along strike and at depth.

Reconnaissance examination in the area of old prospect pits near the north end of the property found a quartz-laced, well-defined shear zone at least 1,500 feet long and about 50 feet wide. It appears to be a continuation of the Uno mineral structure, trends northerly, and rolls over westerly along strike. A selected sample of fracture fillings exposed in prospect pits dug along the footwall side of the zone, ran 0.09 oz gold/ton. Nearby iron-stained, vuggy vein quartz assayed 0.12 oz.

Exploration work on the Uno gold property has better defined and enhanced the potential for development of open pit gold resources, particularly in the Uno mine sector. Further work is required on the newly identified northern gold zone, but the initial geological impression is that that sector may be of considerable potential economic interest, also.

A program of 5,000 feet of angle-hole reverse circulation drilling is warranted to test the Uno

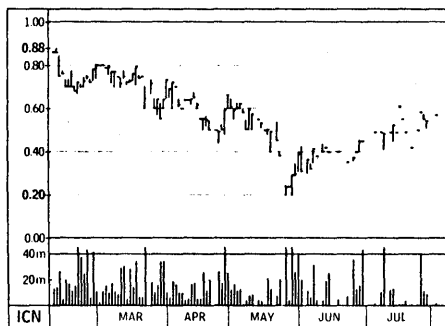
mine sector. If further study proves the northern sector worthy, it should be drilled also.

Inocan Technologies Ltd

Shares issued: 2,781,661

ICN

Aug 3 close: \$0.57



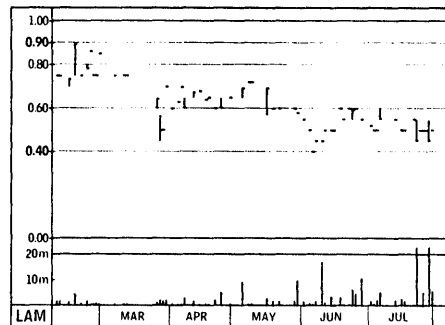
News Release . . . Private placement and asset acquisition proceeding

Mr Arthur Ellsworth reports:

The company is proceeding with the private placement and asset acquisition with Clifford Streit, a New York based developer as announced in the Stockwatch dated June 30 1989. Due to the required due diligence and requisite legal opinions, the parties anticipate that it would not be possible to make the required filings within the time limit required by the regulatory authorities and therefore will resubmit the transaction for approval.

It is anticipated that a revised application will be submitted upon completion of the necessary documents. The development program for the Tandem-Flo pump and water purification system continues with funding advanced from the investment proceeds.

092B110 LARA
Laramide Resources Ltd LAM
Shares issued: 8,420,176 Aug 8 close: \$0.50



News Release . . . More diamond drilling scheduled for Lara and Crow Lake properties

Mr Albert Reeve reports:

During the second quarter of 1989, 22,000 feet of diamond drilling was completed at the company's 100% owned Lara copper, zinc, gold deposit on southern Vancouver Island. The drilling was concentrated on the Coronation zone in the general vicinity of the mine workings and was directed toward detailing the trend and distribution of massive sulphide bodies. No substantial changes to the known mineral resource are expected as a result of this work.

Total exploration expenditures on the Lara project in 1989 to June 30 were \$676,000. Minnova has incurred expenditures of \$627,998 on the Lara property in 1989. These expenditures are reflected in the company's financial statements and the 627,998 shares to be issued to Minnova for these expenditures have been reserved for issue.

Surface geological work is planned for the third quarter and further diamond drilling is scheduled for the fourth quarter of 1989.

Also in the second quarter, the company optioned its Crow Lake gold prospect located near Kenora, Ontario to Rio Algom Exploration Inc. For the purpose of the Rio transaction, Laramide has pooled its Crow Lake property with adjacent claims owned by Calnor Resources Ltd, with each company holding a 50% interest in the combined property. Rio will pay Laramide and Calnor \$40,000 cash on signing a formal agreement which requires exploration expenditures by Rio of \$2 million by July 1 1994 to earn a 75% interest in the property. Calnor and Laramide will have the right to participate as to 25% when a production decision is made by Rio, or elect to receive a 2 1/2% net smelter return royalty.

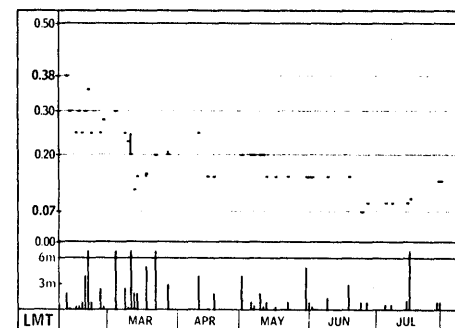
It is expected that Rio will carry out a program of geological mapping, geophysical surveys and diamond drilling during late 1989 and early 1990.

In this period, the company increased its interest in Taseko Mines Limited to 16.3% by exercising its option to purchase 100,000 shares for \$50,000.

Levtech Medical Technologies Ltd LMT

Shares issued: 5,515,500

Aug 1 close: \$0.14



News Release . . . All shares of Vania S.r.l. assigned to Levtech

Mr Harold Fischman reports:

H.F. Scientific Industries, the controlling shareholder of Levtech, has announced that all the shares of Vania S.r.l., the Italian company organized by H.F. to acquire Poli-Mak S.p.a. and Ciampolini Instrumenti Scientifici have been assigned to Levtech. Further, Levtech's option to acquire the above-named Italian companies has been extended to September 15 1989 and the company has received indications that a major international financial institution has agreed to provide the secured financing and revolving lines of credit which will be necessary to consummate the transaction. Although it is the present inclination of the financial institution to provide said financing, there can be no assurance

092B 110



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MONDAY, JUNE 19, 1989
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photo by Dihedral Explorations

A precarious perch for a Longyear diamond drill at Geddes Resources' Windy Craggy property. Set in the mountains of northwestern British Columbia, Windy Craggy holds one of Canada's largest undeveloped copper reserves.

Juniors shift attention to base metals as prices for precious metals weaken

by Geoff Pearce
On the edge of the world's largest anorthosite intrusion, 25 miles north of Lac St. Jean, Que., the rumble of diamond drill rigs echoes across the rolling terrain. Drill results from this summer's work could tell whether a new base metal camp is about to unfold in this virtually unexplored region.

In one clearing, trenching has exposed the sparkle of copper and nickel mineralization. Last year, those patches of base metals ignited a staking rush not seen since the days of the gold rushes at Hemlo or Casa Berardi.

More than 20 junior companies flocked to the Lac St. Jean area and tied up ground for miles around. Copper and nickel prices were booming, and the timing of the new discovery, called McNickel, couldn't have been better.

But in an ironic twist, common to the cyclical mining industry, the new discovery comes just as base metal prices appear to be headed for a downturn.

McNickel Inc.'s (COATS) \$3.5-million exploration program north of Lac St. Jean is just one of several base metal projects being conducted across Canada, as junior companies seek refuge from falling gold and silver prices.

The dramatic rise in nickel, copper and zinc prices during 1988 generated renewed interest in polymetallic deposits. Not surprisingly, junior mining companies shifted attention back to base metals, after nearly a decade dedicated solely to gold.

But one question remains: Will the shift to base metals in the junior sector continue?

Concerns about a deteriorating outlook for new base metal mines in Canada have been trumpeted by

governments and industry alike during the past year. Several senior mining companies have already beefed up their base metals exploration programs.

Any indication that junior base metal exploration might be on the rise would be seen as encouraging, especially as gold and silver prices continue to freefall.

Although the lofty prices of 1988 are already starting to come down — and analysts expect the decline to continue — last year's boom was enough to spark at least some renewed base metal activity in the junior sector.

For now, junior companies seem to be surviving, and the new McNickel project stands out as a tangible symbol of the bullish mood for base metals. With more than 20 junior companies involved in the region, much exploration news is expected in the months ahead.

Across the country there are a number of other junior base metal projects under way. Atlantic Canada, for instance, has become a major exploration hot spot. The Rambler joint venture, with **Petromet Resources** (TSE) and **Newfoundland Exploration** (TSE) has recently completed a \$3.8-million exploration program for copper and zinc in northern Newfoundland. Scores of other juniors are active elsewhere in that busy province.

In New Brunswick, **Marshall Minerals** (ASE) is advancing its Restigouche lead-zinc-silver property where reserves totalling 1.73 million tons have been outlined grading 6.9% zinc, 0.35% copper, 5.3% lead, with gold and silver as well. Another junior company, **Novagold Resources** (TSE) hopes to develop a copper zone on its Murray Brook bet where a gold gossan

zone is to be mined. **Stratabound Minerals** (ASE) is also exploring for zinc-lead-silver on its CNE property, near Bathurst, N.B.

Moving up the St. Lawrence River, the new base metal exploration play near Lac St. Jean, Que., is focused on copper-nickel-cobalt mineralization. Further north, in the remote Ungava region, **Falconbridge affiliate New Quebec Raglan Mines** (TSE) continues to ponder the future of its high grade nickel deposits which host reserves of some 12 million tons grading 3.1% nickel and 0.79% copper with appreciable platinum group metal values.

In Ontario's Timmins camp, the small high-grade Redstone nickel deposit has been developed this year by a private company, **Timmins Nickel Inc.**, controlled by **Malcolm Slack**. The Redstone deposit, optioned from **BHP-Utah Mines**, hosts reserves of 453,000 tons averaging 2.9% nickel.

In Manitoba and Saskatchewan, a few junior base metal projects are on the go. **Lynngold Resources** (TSE), for instance, is re-examining two former producing copper-nickel bets near Lynn Lake, Man.

In Saskatchewan, the Hanson Lake joint venture of **Cameco**, **Trimin Resources** (VSE), and **Esco Minerals** has been drilling a copper-zinc deposit in Precambrian rocks beneath a cover of Ordovician dolomite. Edmonton-based **Gamsan Resources** (ASE) has been exploring a zinc-copper deposit near Brabant Lake, north of La Ronge, Sask. The company recently announced geological reserves of 3.7 million tons grading 4.8% zinc, 0.55% copper and 0.27% lead, along with silver and gold values.

British Columbia probably has the highest number of advanced

See Page B2

good prospects

by David Robertson
Stories abound from yesteryear of mining deals being struck with a handshake. True or not, today's legal battles and property court settlements, lawsuits and countersuits, make one wonder what happened to those days of assumed innocence so long ago.

Perhaps the change can be attributed to the amount of money to be won — or lost — these days. But then, where gold is involved, the stakes have always been high.

Many of the court battles show no signs of letting up early. A case in point is the 8-year ownership

Base metals

From Page B1
exploration prospects for base metals involving junior companies.

The federal department of Energy Mines and Resources estimates that out of a total of 22 base metal deposits in Canada which are currently classified as "promising," nine are located in British Columbia.

One of the biggest and most remote is **Geddes Resources' (TSE) Windy Craggy** copper-cobalt-gold deposit near the Alaskan border. The company is conducting a \$10-million exploration program this year to further define reserves and prepare for a feasibility study.

On Vancouver Island, reserves totalling 583,000 tons of 5.8% zinc, 1% copper, 1.2% lead, 2.9 oz silver and 0.14 oz gold per ton have been outlined by **Laramide Resources (VSE)** in the **Lara** deposit. **Minnova Inc. (TSE)** has a stake in the Lara deposit.

Elsewhere in British Columbia, **Redfern Resources (VSE)** is busy on its **Tulsequah Chief** prospect where reserves stand at 2.4 million tons grading 6.3% zinc, 2% copper, 1.25% lead, 0.075 oz gold and 2.7 oz silver per ton. Senior companies **Teck Corp. (TSE)** and **Cominco Ltd. (TSE)** have a stake in Redfern.

In the Yukon, the Mt. Hundere lead-zinc-silver deposit was recently acquired by **Hillsborough Resources (TSE)**. Mt. Hundere hosts geological reserves estimated at 5.2 million tonnes grading 13.3% zinc, 5.3% lead and 63.8 g per tonne silver. The reserves are contained within two main areas situated three km apart.

In the Northwest Territories, drilling is continuing on **Aber Resources (TSE)** and **Hemisphere Development's (VSE)** volcanogenic silver-base-metal deposit at Sunrise Lake, 112 km north of Yellowknife. Reserves there are estimated at 2.06 million tons grading 8.9% zinc, 4.2% lead, 11.8 oz silver and 0.03 oz gold per ton. **Noranda Exploration** recently took a 50% option on part of the Sunrise property.

Last year's resurgence of base metal prices provided a welcome

boost to the mining industry, particularly for the major producing companies. It was especially good news in the context of the country's diminishing base metal reserves and the need to focus on base metal exploration.

The Prospectors and Developers Association of Canada (PDAC) said: "The resurgence of base metal prices is also likely to provide a balance between base metal exploration and the recent market-driven focus on precious metals."

While base metal prices were a positive note, the PDAC also notes that the junior sector continues to languish under the burden of depressed share prices since the 1987 stock market crash, sliding precious metal prices, and uncertainty about new tax rules and a new exploration grant system — CEIP.

Industry sources say there are still plenty of base metal prospects in Canada that could be developed if prices are right. Many of the prospects have been drill tested and remain idle, awaiting further exploration. One of the legacies left by the flow-through exploration boom during the 1980s is an enhanced geoscience database.

A mainstay of mineral exploration is the availability of a high-quality geoscience database. In view of the pressing need for new base metal deposits, and the fact that most of the orebodies of tomorrow are well-hidden at depth, the dependence on the geoscience database is becoming even more critical.

According to Donald Cranstone of the federal department of Energy Mines and Resources, there are only about 22 "currently promising" base metal deposits in Canada, compared with 139 for gold. The ministry classifies deposits as "promising" if tonnage, grade, cumulative exploration work, and infrastructure indicate production is possible in the foreseeable future.

Even with a cyclical downturn in base metal prices on the way, Canadian companies may have to keep spending on exploration to replace dwindling reserves, Cranstone warns.

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KEYS TO IMPERIAL'S CALLINGS

VANCOUVER — With 9-month earnings hitting a record \$3.8 million or 22.6¢ per share as of Dec 31, 1988, and several exploration properties in various stages of development, the future looks bright for Imperial Metals Corp. (TSE).

Imperial President, Pierre B Lebel, notes that property and investment trading "maintained their key role as major contributors to earnings." In the third quarter, the company reported property gains of \$1.2 million bringing the nine month total to \$1.5 million. Investment transactions realized gains of \$442,000 and \$4.2 million in the third quarter and year to date respectively, he said.

At the company's Mount Polley project 30 miles northeast of Williams Lake, B.C., a 1988 drill program confirmed the presence of substantial tonnages of copper-gold mineralization. In-house calculations indicate a mineable reserve of 53 million tons grading 0.44% copper and 0.017 oz gold.

These reserves are contained in three zones separated by narrow sections of low grade mineralization which could be mined as a single pit with a strip ratio of 1.9:1. At 15,000 tons per day and over a mine life of 10 years, Mount Polley

Minnova, Laramide plan work on Lara

A major exploration program is planned this year on the Lara deposit of Minnova Inc. (TSE) and Laramide Resources (TSE) on southern Vancouver Island. The Lara massive sulphide deposit has drill-indicated reserves of 583,000 tons averaging 1% copper, 1.2% lead, 5.9% zinc, 2.9 oz silver, and 0.14 oz gold. This year's program, which is expected to cost about \$1 million, will include metallurgical testing and diamond drilling.

Laramide's purchase of the property last year from troubled Abermin Corp. (TSE) was financed by selling 2.5 million of its shares to Minnova which now owns 29.7% of the company; Minnova can earn a further two million shares by spending \$2.5 million on exploration work.

Although gold has declined in recent months, Albert Reeve, Laramide president, estimates "the net smelter return of our ore has probably risen 15-20%" given higher base metal prices.

Exploration is expected to resume this April and the joint venture will be drilling down some deeper holes from surface. The underground workings are presently flooded.

N.Miner
April 10/89

would produce 70,000 oz gold and 32 million lb copper annually.

A recent drill program at subsidiary Cathedral Gold Corp's. (TSE) Porcher Island property 35 miles southwest of Prince Rupert, B.C. has confirmed the continuity and strength of the AT zone mineralization below 400 ft. A prefeasibility study is under way by Wright Engineers of Vancouver which will consider a 500 ton per day milling operation. An independent consultant has calculated reserves of 621,000 tons grading 0.32 oz gold in the AT zone above 400 ft. These are uncut and diluted.

Greater Lenora, RJK busy in Saskatchewan

Joint venture partners Greater Lenora Resources (TSE) and RJK Mineral Corp. (ASE) say they are studying the possibility of selective mining of high grade gold zones at their Beaverlodge property in northern Saskatchewan.

Located on the north shore of Lake Athabaska, the Beaverlodge property contains two separate low grade gold zones known as the Box mine and New Athona deposits.

Some highlights from a recently completed drill program on the properties are as follows:

Hole	From-To (ft)	Width (ft)	Grade (oz/t)
Box Mine			
34	42.6- 59.0	16.4	0.15
37	302.7-348.7	46.0	0.39
38	146.3-149.6	3.3	0.22
42	230.3-240.1	9.8	0.25
44	328.3-333.1	4.8	0.33
Athona			
19	141.4-184.0	42.6	0.15
23	61.7- 88.2	26.5	0.16
25	236.2-246.0	9.8	0.18
28	237.5-240.8	3.3	0.33
29	123.0-126.3	3.3	1.54
	185.3-188.6	3.3	0.64
30	149.9-208.9	59.0	0.18

All intersections closely approximate true widths and have not been cut. The results were obtained from within a Proterozoic granite porphyry unit and do not represent one continuous mineralized horizon.

The Beaverlodge property is reported to host a total of 19.2 million tons of probable reserves grading 0.056 oz gold per ton. The capital cost to bring the project into commercial production has been estimated at \$70 million.

Alberta-listed RJK Mineral Corp., has an option to earn a 60% interest in the Box and Athona properties by spending a total of \$2.5 million on exploration by Dec 31, 1991. Greater Lenora resulted from the recent amalgamation of three Kansner group companies, Lenora, Mary Ellen and AXR Resources.

While Chelsea Resources (VSE) attempts to bring costs down at the Spotted Horse gold mine in Lewistown, Mont., two lawsuits brought about by two exploration companies are providing more financial headaches for the Toronto company.

Rather than face a lengthy court battle, Chelsea has settled out of court with Australia-based G & B Exploration Pty. which in 1987 agreed to participate in a private placement of Chelsea shares.

The private placement of 900,000 Chelsea shares, at \$3 per share fell through. Under the terms of the settlement, Chelsea has agreed to pay G & B \$336,511 by issuing 350,000 shares.

However Chelsea has the option

Bakra Res. makes Sannorm estimate

Vancouver-based Bakra Resources (VSE) has made an initial reserve estimate for the A zone at its Sannorm gold property near Rice Lake, Man.

Bakra is earning a 50% stake in the 1,500-acre property from privately-owned affiliate Orenada Resources and has spent about \$150,000 on exploration so far. Located next to Rea Gold Corp.'s (TSE) Bissett project, Sannorm is part of a large land package controlled by the Homestead group of Vancouver.

Based on recent drilling results, over-all reserves stand at 200,000 tons of grade 0.122 oz (including 117,000 tons of 0.158 oz) to a depth of 500 ft.

According to Bakra, the zone has a single tabular geometry with a strike length of 300 ft, an average true width of 14 ft and widths of up to 23 ft in the central section of the zone.

"It is believed that a significant portion of the known reserves are amenable to open pit mining," Bakra said.

All reserves at Sannorm have been developed within a 300-ft strike length of the A zone which has a known strike length of 2,300 ft and has been intersected to a depth of 1,200 ft, the company said.

The company says that reserves could be expanded with additional higher grade lenses within the overall A zone. Future drill programs will attempt to develop near-surface reserves within the A zone.

Puffy Lake hurts Pioneer's earnings

VANCOUVER — Faced with the uncertainty of operating the Puffy Lake mine economically, Pioneer Metals Corp. (TSE) has reduced the carrying value of the mine in its financial results for the year ended Dec 31.

The company recently implemented a revised operating plan at

to buy back 130,000 of those on or before August 26 at share plus an additional shares on or before Feb 27, the same price.

The Chelsea board has agreed to pay off \$97,500 resulting from and accounting costs by shares for debt.

However, no sooner has sea settled the G & B lawsuit it was faced with another claim by Beardmore Resources (VSE) North Bay, Ont. is claiming damages for breach of contract. Chelsea elected not to pursue the alleged joint venture on the Hill project in Montana.

The Gold Hill property

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A technological innovation provides an easy way to extract uranium and

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Resources

is pleased to announce that has been appointed as and Director

Mr. Turner, former brings 20 years of experience

Brian D. Fraser
Randy C. Turner
Byron B. Jolly
James M. Dawson
Terry M. Hollander

Trimin Resources holds Zinc-Copper-Silver deposits in the Indian Gold.

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May 30-31, 1989
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CANMET SEMINAR

in cooperation with
The Mining Association
The British Columbia
and Petroleum Resources
The Coal Association of



NOT FOR GOLD ALONE

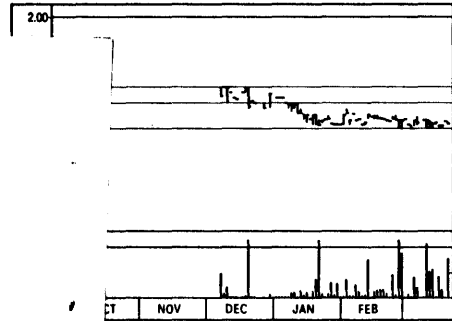
by Franc Joubin, Prospector

Wt expire: 365 days from trade date.
tba

Greenshoe: Maximum of 175,000 shares for 60 calendar days from offering day

Directors: Tba
Trading symbol: HFR
Security No: 321172
Cusip No: 42966D 10 5
Wt symbol: HFR.WT.A
Wt Security No: 894215
Wt Cusip No: 42966D 11 3
Unit Security No: 855877

High River Gold Mines Ltd HRG
Shares issued: 13,241,361 Mar 22 close: \$1.00



News Release . . . Update from Snow Lake project, Manitoba

Mr David Yue reports:
The company has recently received an update on the program at Snow Lake, Manitoba from Inco Gold. Inco is the operator and can earn a 50% interest in the project by placing the project into production. Inco has completed 1148 ft of drifting and 14,182 ft of diamond drifting from December 6 to February 28 1989. The planned program of 2000 ft of drilling and 50,000 ft of diamond drilling is on target for a July 1988 completion date. Drilling activity has been stepped up and Inco now has four drill rigs operating on the project. Pre-feasibility report preparation is currently underway.
The initial drill results are confirming the continuity of mineralization below the level tested by High River in 1988. Recent results are expected to increase reserves substantially and will be released in late April.
By spending the \$6.5 million Inco will have earned 2.250 million flow through common shares at \$1.32 per share, and 2.250 million flow through common shares at \$1.57 per share.

Joan Babij, comptroller and secretary of Inco Gold Management, has been appointed to the board to fill the vacancy created by the resignation of Michael Korenberg, who continues in his capacity as secretary of the company.

International Baron Resources Ltd IBQ
Shares issued: 3,079,301 Mar 17 close: \$0.30
News Release . . . Agreements terminated with New Alma and First Hawaiian

Mr James E. Yates reports:
The board of directors has decided to give notice of termination to New Alma Corporation and First Hawaiian Corporation pursuant to section 26 of the assignment and exploration agreement in regards to the Electrum property in the Awakening mining district of Humboldt county, Nevada.

This action was necessary as the underlying property owners have filed termination notices on two occasions that have restricted International Baron's efforts to prepare the 1989 exploration program.

International Brace Resources Inc IBI
Shares issued: 2,066,486 Mar 22 close: \$0.38
Warrants Called to Trade

Effective at the opening March 22 1989, 600,000 series A share purchase warrants were posted and called for trading.

One warrant is required to purchase one share of the company at \$0.41 per share on or before March 22 1990.

Trading symbol: IBI.WT.A
Wt Security No: 896653
Wt Cusip No: 45916F 11 2

The agents did not over-allot the securities of the company in connection with the offering, therefore, no greenshoe option will be granted.

International Capri Resources Ltd ICQ
Shares issued: 2,666,724 Mar 16 close: \$0.40
Pool, Escrow Release

The VSE has approved a pro rata release from escrow in the amount of 562,500 shares of the company. There are now 212,500 shares remaining in escrow.

International Falcon Resources Inc IIF
Shares issued: 3,428,608 Mar 8 close: \$0.08
Cease Trade Company Rescinded

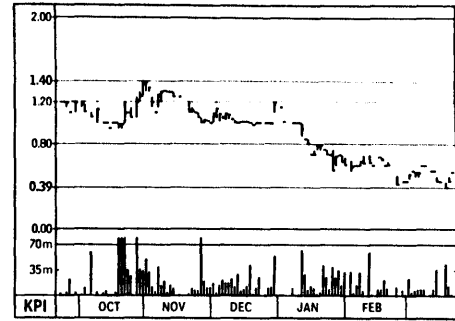
Effective at the opening March 23 1989, trading in the shares of the company will be reinstated, the sustaining fees having been paid.

Keefer Resources Inc. KFR
Shares issued: 2,541,831 Mar 21 close: \$0.16
Acquisition

The VSE has accepted for filing an agreement dated February 23 1989 between the company and Brahma Resources whereby the company has acquired a 50% interest in certain claims located in the Mazarin and Celoron twps, Quebec for the issuance of 50,000 shares of the company.

Telephone and Address Book
Listed companies can put their message in the Stockwatch telephone book. To draw attention to your company, call (604) 684-5586 and ask for Stockwatch advertising.

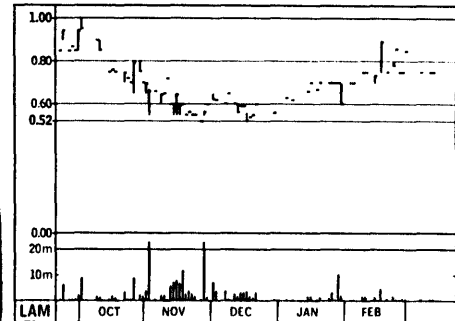
Kwik Products International Corp KPI
Shares issued: 16,419,195 Mar 22 close: \$0.54



Private Placement

Mr Donald Byers reports:
Subject to regulatory approval, the company proposes to complete a private placemnt with D.G. Bank Switzerland Ltd, consisting of 2,000,000 shares at \$0.45 per share and 2,000,000 warrants exercisable at \$1.00 per share up until August 18 1989. A finder's fee will be paid in connection with the transaction.

Laramide Resources Ltd LAM
Shares issued: 8,420,176 Mar 14 close: \$0.75



Company Review . . . \$1m diamond drilling program planned for Lara project in 1989

Mr Albert F. Reeve reviews the company:
Substantial progress was achieved in 1988 on the company's Lara base metals/gold project on southern Vancouver Island.

A program of underground exploration and development was initiated with 2,300 feet of drifting and raising completed. This work indicated good mining conditions, confirmed the thickness and grade of diamond drill intersections and provided samples for final metallurgical testing. The drill indicated source of 583,000 tons averaging 1.01% copper, 1.22% lead, 5.87% zinc, 2.92 opt silver and 0.138 opt gold, reported at the end of 1987 remains unchanged.

Late in the year the company purchased the 65% interest of its partner in the Lara project and Laramide now owns 100%, subject to a 10% net profits royalty from production after payback of capital. The royalty is convertible to 5% of Laramide's issued capital for two years.

The cash purchase price of \$2.3 million was financed by selling 2.5 million Laramide shares to Minnova Inc, who now owns 29.7% of the

92B 110

company. Minnova may earn a further 2 million shares by spending \$2.5 million on exploration before June 30 1991.

Minnova, as project operator, has planned a program of diamond drilling and metallurgical testing in 1989 at an estimated cost of \$1 million. The objective of this will be to increase reserves before embarking on a full feasibility study.

Gold declined in 1988, while copper, zinc and lead were very strong. The increasing strength of the Canadian dollar had a slightly negative effect on prices for Canadian producers. The net effect of these changes on the Lara project was to increase the net value of average-grade Lara ore by 20% during the past year.

Elsewhere, the company reduced exploration commitments on its other projects to focus more of its financial resources on the Lara project. Diamond drilling and surface exploration was carried out on two gold prospects, and the company increased its interest in Taseko Mines from 6% to 14%.

The Lara project will continue as the company's most important activity in 1989, with financing in place to carry out an aggressive exploration program. The near-term prospect for Lara is to become a 500 ton per day producer of base metals and gold within 3 years, with the ultimate geological potential for a major operation similar to the mines at Buttle Lake on northern Vancouver Island.

SUMMERS CREEK RESOURCES LTD

Laramide owns 68% of Summers Creek, a private company which holds the Sadim old prospect near Allison Lake, BC. Four drill intercepts average 0.03 opt gold over an average core length of 55 feet. There is potential for a large surface mineable gold deposit. No work was done on the prospect in 1988; participation by others is being sought for a 1989 drilling program.

QUILCHENA RESOURCES LTD

This is a private company, owned 50% by Laramide. The company holds a 100% interest in the Snowflake gold prospect at Aspen Grove BC, where a zone of gold mineralization 5 ft thick, 200 ft long, averaging 0.77 opt silver, has been defined by three drill holes. In 1988 Gerle Gold bored 3 diamond drill holes totalling 1,000 feet. No significant assays were returned. Gerle is planning further drilling in 1989.

CANNELL CREEK GOLD PROSPECT

At the end of 1988 the option held by Aabbax International Financial Corp expired. The source of geochemical anomalies and high grade float blocks has not yet been located. An exploration program for 1989 has not been planned.

VANCO EXPLORATIONS LTD

Vanco is 46.6% owned by Laramide. In 1988 Vanco relinquished the option on its Aspen Grove property. The company holds a 62% interest in a 9,000 acre mineral claim block, the Slide claims, in the Quesnel district of BC. Vanco is seeking participation by others in a 1989 exploration program.

CROW LAKE GOLD PROSPECT

Laramide owns 100% of a claim block located on

Kakagi Lake near Nestor Falls, Ontario, in the Kenora district. An induced polarization survey has identified a drilling target on the lake bottom. A program of surface trenching and sampling was carried out on East Island in 1988 at a cost to the company of \$25,000. Participation by others in a drilling program is being sought. **KITIMAG GOLD/BASE METALS PROSPECT** In 1988 BP Selco relinquished its option on the company's property; no work has been planned for 1989.

POT MINERAL PROPERTY

The company owns a 100% interest in these claims (6,500 acres) east of Quilchena's Snowflake property. This ground is being held pending developments at Snowflake.

TASEKO MINES LIMITED

Taseko owns the Fish Lake gold/cooper deposit which contains 220 million tons averaging 0.24% copper and 0.015 opt gold. The property is the subject of a legal dispute between Cominco and Taseko. Taseko lost at the trial in October 1988 and has filed an appeal.

CALNOR RESOURCES LTD

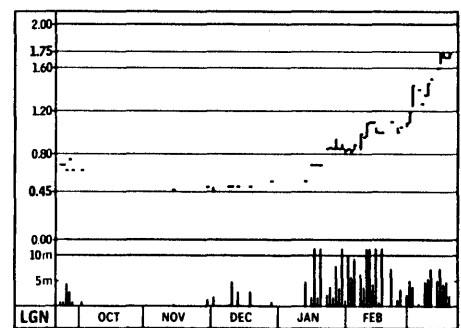
The company has an 8.7% interest in Calnor. In 1988 Calnor relinquished its option on the High Lake gold prospect in the Kenora district of Ontario and continues to hold the Crow Lake gold prospect. Calnor also owns 62.2% of the Spectrum gold prospect near Nuttlude Lake in northwestern BC; this property has been optioned to Cominco which is planning a drilling program in 1989.

NATION RIVER RESOURCES LTD

Laramide owns 29.6% of the issued shares of Nation River, a private exploration company. Early in 1989 the option of Lone Jack Resources on Nation's Quadra Island gold prospect expired. Lone Jack bored 10 diamond drill holes totalling 1,985 feet; no significant assays have been reported. Nation is seeking the participation of others in a 1989 exploration program.

Noranda Exploration drilled 8 holes totalling 2,140 feet on Nation's Klukas Lake gold property east of Prince George; no assays were reported.

Legion Resources Ltd **LGN**
Shares issued: 2,188,816 Mar 21 close: \$1.75



News Release . . . Update from Liz B John 2 property, BC

Mr Henry Tysseland reports:

In the past year the company carried out a \$100,000 work program on its Liz B John 2 property, Nelson mining division, BC. The property consists of four two post mineral claims and four claims comprising 38 units. In addition, the company has recently staked an additional 35 units adjacent to the existing claims. The program consisted of geochemical and IP surveys and results have now been received.

Diamond drilling was performed on a lower zone in 1965. A 1966 report made a drill indicated tonnage estimate of 500,000 tons of zinc with a 5% grade. Further drilling took place in the late 1960's. This zone was considered the main zone or discovery area.

The recent work program has indicated a new zinc showing many times larger and of much higher average geo-chem intensity than the drilled zone. The drilled zone is now considered insignificant in comparison to the new zinc anomaly. The old zone had a strike length of approximately 1000 ft and a width of 30 ft. The new zone is over 1000m in length and 400m in width.

The company's engineering consultant has recommended a program of detailed IP survey over the area of interest, followed by diamond drilling. The budget is set at over \$500,000 and company management will now explore the merits of entering into an agreement with a major mining company to continue exploration work on the property. In 1988 a major mining company made an offer of cash and work performance, however, no agreement was consummated. Management is also currently negotiating to obtain flow-through funding and is also negotiating a private placement in the amount of \$100,000.

Liberty Gold Corp **LGP**
EOP Conditional Listing

Effective date: March 23 1989
Offering date: Tba
Expiry date: July 4 1989
Trade date: Tba

Offering: 400,000 shares on a best efforts basis

Price: \$0.44

Agents: Georgia
Agents Wt: None

Directors: Tba

Trading symbol: LGP
Security No: 394012
Cusip No: 53055B 10 8

MacNeill Industrial Inc **MCE**
Shares issued: 4,850,000 Mar 22 close: \$0.89
Options Granted

Directors and employees have been granted options on 150,000 shares at \$0.70 expiring

pg. 2

GCNL # 210, Nov 1/88

LARAMIDE RESOURCES LTD. (LAM-V) 120

LARA PROPERTY ACQUISITION COMPLETED - Albert C. Reeve, president, reports that Laramide Resources Ltd. has completed the acquisition of a 65% interest in the Lara gold-base metals property, 15 miles north of Duncan, Vancouver Island, B.C. and the private placement of 2,500,000 shares at 90¢ each with Minnova Inc. for proceeds of \$2,250,000, which makes Minnova a major shareholder with about 30.65% of Laramide's currently issued shares.

Laramide purchased the 65% interest from Abermin Resources for \$2,300,000 in cash plus a 10% net profits of production royalty; Abermin has the option of converting the royalty into 5% of the issued capital of Laramide on a fully diluted basis on the date of conversion. Laramide now holds a 100% interest in the Lara property, which has drill indicated reserves estimated at 583,000 tons averaging 1.01% copper, 1.22% lead, 5.87% zinc, 2.92 oz.silver/ton and 0.138 oz.gold/t.

Minnova is committed to spending \$500,000 on the Lara property by Oct.31,1989. Minnova also has an option to earn up to 2,000,000 shares of Laramide by making further expenditures on the Lara property of 1 share for each \$1 spent for the first 1,000,000 shares, which includes the \$500,000 already committed; and one share for every \$1.50 of expenditures for the next \$1,500,000 of exploration and development spending.

David Watkins, vice president of exploration of Minnova has been appointed a director of Laramide.

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N MINER Oct. 24/88

Minnova to finance purchase of interest in Lara property

VANCOUVER — Because going-it-alone to production is proving too costly a proposition for many juniors in British Columbia these days, a good many of the province's advanced projects seem to be finding their way (directly or indirectly) into the hands of well financed and experienced major mining companies.

A recent example is the Lara property on Vancouver Island, originally owned 65% by **Abermin Corp.** (TSE) and 35% by **Laramide Resources** (VSE). Abermin recently accepted an offer by Laramide to buy out its interest as it was experiencing a cash crunch brought about by start-up problems at the joint-ventured (with Granges Exploration) Tartan Lake mine in Manitoba.

In order to finance the \$2.3-million cash purchase price, Laramide made a deal with **Minnova Inc.** (TSE) which resulted in Minnova agreeing to purchase 2.5 million shares of Laramide at 90¢ per share. In addition, Minnova has the option to earn up to a further two million shares by making exploration and development expenditures involving the Lara property at the rate of one share for every \$1 of expenditures for the first \$1 million, and one share for every \$1.50 of expenditures for the next \$1.5 million of expenditures.

The agreement is subject to regulatory and shareholder approval,

but if fully consummated, will result in a change of control; with Minnova becoming a major shareholder of Laramide.

The completion of the purchase of Abermin's interest will give Laramide a 100% interest in the gold-base metals deposit which has drill-indicated reserves estimated at 583,000 tons averaging 1.01% copper, 1.22% lead, 5.87% zinc, 2.92 oz silver and 0.138 oz gold per ton. (The purchase also involves a 10% royalty of net profits from production which, at the option of Abermin and exercisable until Oct/1990, is convertible into 5% of the issued capital of Laramide on a fully diluted basis.)

According to Albert Reeve, president of Laramide, the property is well situated for low mining costs and has "outstanding geological potential for expanding reserves."

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LARAMIDE RESOURCES LTD. (LAM-V)

AGREEMENT WITH MINNOVA REACHED - Albert F. Reeve,

president, reports that Laramide Resources Inc. has agreed to sell Minnova Inc. 2,500,000 shares at 90¢ each to provide the funds required by Laramide to acquire the 65% interest of Abermin Corporation in the Lara property, 15 miles north of Duncan, Vancouver Island, B.C. Laramide can purchase the interest for \$2,300,000 in cash with Abermin retaining a 10% net profits of production royalty. Minnova has the option to earn up to a further 2,000,000 shares of Laramide by making exploration and development expenditures on the Lara property at the rate of 1 share for every \$1 spent for the first \$1,000,000 and 1 share for every \$1.50 spent for the next \$1,500,000 of expenditures. If fully consummated, the transaction will result in a change of control of Laramide, and is subject to shareholder and regulatory approval, and to the concurrent closing of the Lara property acquisition.

The successful completion of the purchase of Abermin's interest will give Laramide a 100% interest in the promising gold-base metals deposit on southern Vancouver Island. The company's present estimate of drill indicated reserves is 583,000 tons averaging 1.01% copper, 1.22% lead, 5.87% zinc, 2.92 oz.silver/ton and 0.138 oz.gold/t. 92B110

Mr.Reeves commented, "Minnova has recognized expertise in developing and operating Canadian polymetallic mines and will provide Laramide with the essential financial strength to advance the Lara project toward production".

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The Northern Miner

Cash-strapped Abermin sells Lara property to its partner

VANCOUVER — Strapped for cash because of problems at its Tartan Lake gold mine in Manitoba (N.M., Sept 5/88), Abermin Corp. (TSE) has been forced to sell one of its key mineral properties, the Lara project on Vancouver Island.

A \$2.3-million offer for Abermin's 65% interest in Lara has been made by Vancouver-based Laramide Resources (VSE) which already holds a 35%-working interest in the property

Roger Taylor, Abermin's president, argued that the offer is fair to shareholders and it gives Abermin "the opportunity to obtain some cash which we can apply to working capital. We feel under the present circumstances it's in the best interest of shareholders to accept it," he told The Northern Miner.

Emphasizing it would still retain a 10%-carried interest in the project, Taylor said that Laramide will have to come up with the money by the end of October. Future exploration efforts will be focused on Abermin's large land position in the United States, he noted, adding that: "we have not decided on any other asset disposition at this time."

Laramide President Albert Reeve, who was the driving force behind the exploration and development of the Blackdome gold mine near

Clinton, B.C., put the Lara property into the company.

Reeve predicted the financing arrangement probably would involve a private placement, one that could presumably lead to a change of control. He confirmed that negotiations for the financing "are reasonably well advanced" but could not elaborate further.

"We have a threshold commercial reserve there," he claimed, adding that a 500-ton-per-day production facility "would pay back plus." Infrastructure requirements would be minimal because a community exists nearby, power is available at the property, and ground conditions are generally good, he noted.

Reeve said this season's exploration program at Lara has almost been completed and "it's basically confirming the thickness and grades we got in our drill holes."

Falconbridge, which has been drilling near its common boundary with Lara, has apparently picked up the zone. Indeed, it was in the bidding for Lara. Minnova Inc. (TSE), Canada Tungsten (TSE) and another company were also involved in the bidding. Reeve said he could take on a joint venture partner but he preferred to "see Laramide develop this little mine with whatever help it needs internally."

Since 1984, 230 diamond drill holes totaling 117,000 ft have been completed on the property. Drill indicated reserves now stand at 583,000 tons grading 1% copper, 1.2% lead, 5.8% zinc, 2.9 oz silver, and 0.14 oz gold.

Approximately 2,000 ft of underground development has been completed and massive sulphides have been intersected in four crosscuts over a strike length of 360 ft, Reeve said. Preliminary assay results from the first four crosscuts over a strike length of 350 ft show a weighted average grade of 0.93% copper, 0.78% lead, 6.8% zinc, 2.4 oz silver and 0.1 oz gold over an average width of 11 ft.

Sept. 28/88

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SEPTEMBER 19, 1988

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ABERMIN CORPORATION (ABM-V,T)
LARAMIDE RESOURCES LTD. (LAM-V)

ABERMIN TO SELL LARA INTEREST - Abermin Corporation has agreed to sell its 65% interest in the Lara property, 15 miles north of Duncan, Vancouver Island, B.C. to Laramide Resources for \$2,300,000 cash, payable as to \$200,000 in escrow immediately and the balance on closing, plus a 10% royalty of net profits from production, which at the option of Abermin, exercisable until Oct.31,1990, is convertible into 5% of the issued shares of Laramide on a fully diluted basis at the date of conversion. The transaction is scheduled to close October 31,1988.

Laramide previously had a 35% interest in the property. Drilled reserves on the property are 583,000 tons grading 1.01% copper, 1.22% lead, 5.87% zinc, 2.9 oz.silver/t, 0.138 oz.gold/t, with an average thickness of 8.7 feet. A decline, crosscuts and drifting program is underway to upgrade the reserve classification.

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