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DEBBIE AND YELLOW PROJECTS  
PORT ALBERNI, B.C.

The Debbie Project, comprising 247 units located 6 to 12 km east of Port Alberni, B.C., is a joint venture among Westmin Resources Limited (50%), Nexus Resource Corporation (25%) and Angle Resources Limited (25%). Drilling in 1986 (to 1 March 1987) was 9,650.0m (31,652 ft.) and in 1987 (to 31 December) was 12,045.5m (39,509 ft.) for a total of 21,695.5m (71,161 ft.). Drilling continues with two machines.

The Yellow Project, a claim of six units enveloped by the Debbie property, is located 12 km southeast of Port Alberni, B.C. It is a joint venture between Angle Resources Limited (50%) and Reward Resources Limited (50%). Westmin Resources Limited is exercising its option to earn 24.5% interest in 1988. Drilling in 1986 (to 1 March 1987) was 4,976.4m (16,323 ft.) and in 1987 (to 31 December) was 5,871.7m (19,259 ft.) for a total of 10,848.1m (35,582 ft.). Six drills are working on the property.

Drill contractors are: Hydracore Drills Ltd. (three Gophers); D.W. Coates Enterprises Ltd. (two Longyear 38s); Advanced Drilling Ltd. (Boyles 25A and Longyear 38); and Burwash Enterprises Ltd. (Longyear 38).

Gold occurrences on the Debbie and Yellow claims lie within and near bedded chert and cherty basaltic tuff associated with the stratigraphic top of a thick succession of aphyric basalt flows, commonly pillowed and amygdaloidal. Overlying the aphyric basalts are mixed mafic and felsic, thin and thick bedded volcani-clastic rocks grading upward to poorly sorted, pyroxene-phyric volcanoclastics. The stratigraphic section is disrupted by the north-striking Mineral Creek Fault which contains cataclastic and altered lithologies as well as a few intrusive rocks. The Mineral Creek Fault has a long and complex history with at least three episodes of movement.

Three gold zones are being drilled.

1. 900 Zone, located 200m west of the Mineral Creek Fault, contains gold in bedded chert and in quartz veins and quartz stockworks cutting ankeritic aphyric pillowed basalt.
2. Mineral Creek Zone occurs within the immediate hangingwall of the east-dipping Mineral Creek Fault. Two styles of mineralization are:
  - (a) gold in a wide zone of cataclasis and pervasive ankerite-quartz-sericite-pyrite and minor arsenopyrite alteration in bedded volcanoclastic and aphyric basalt flow rocks adjacent to the Fault;
  - (b) gold in quartz veins with minor pyrite and arsenopyrite cutting both the alteration zone and its immediate hangingwall aphyric basalt host.
3. Linda Zone, located 200m east of the Mineral Creek Fault, is a set of quartz-clay-ankerite/calcite-minor pyrite and arsenopyrite <sup>veins</sup> with native gold. Veins are haloed by narrow ankerite-sericite-pyrite selvages. Linda veins appear to be part of a generation of veins that correlate with quartz-rich veins in the Mineral Creek Zone.

**DEBBIE CLAIMS**

WESTMIN / NEXUS / ANGLE  
JOINT VENTURE



**MINERAL  
CREEK  
ZONE**

**LINDA  
ZONE**

**900  
ZONE**

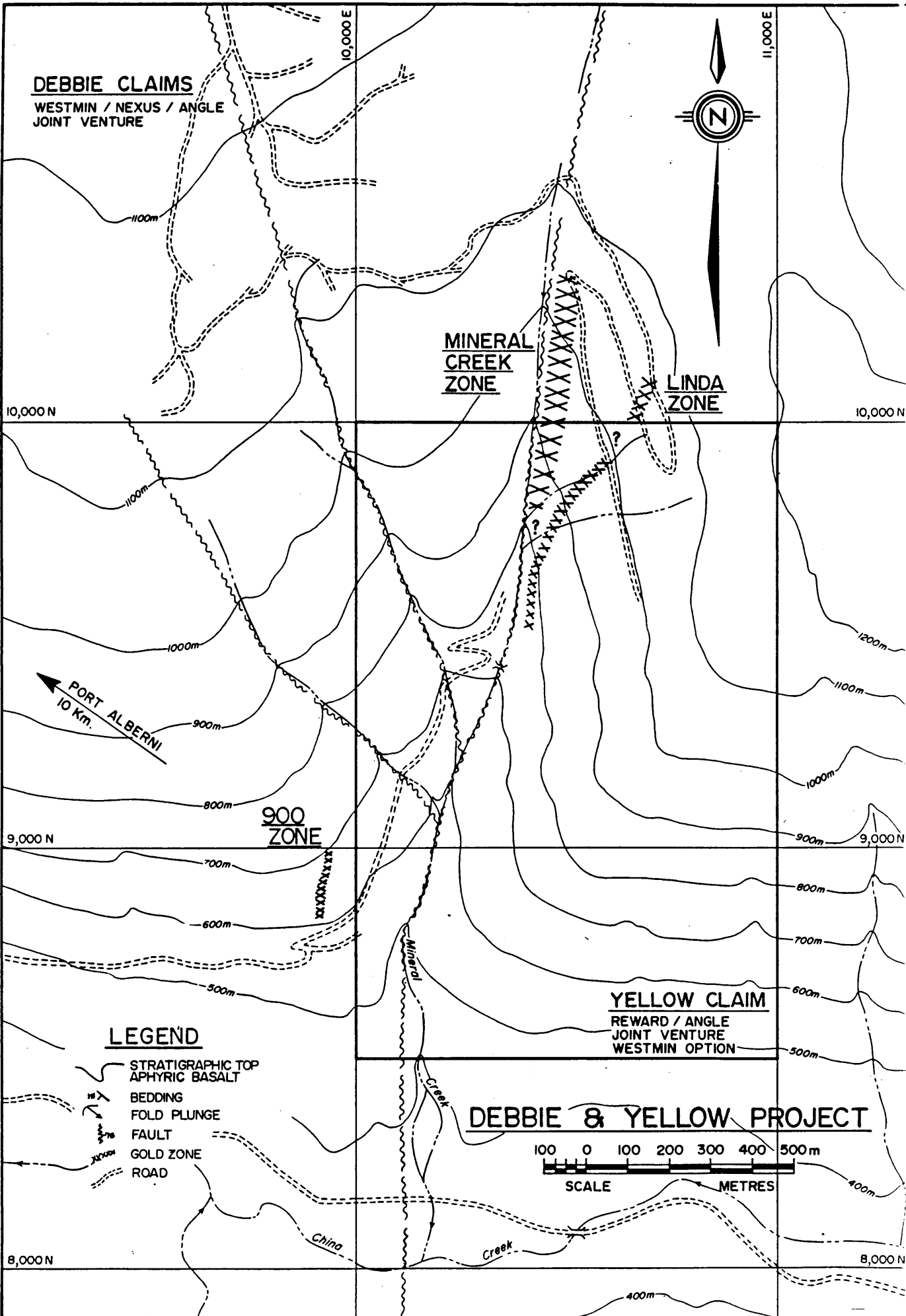
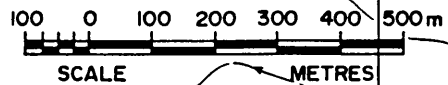
**YELLOW CLAIM**

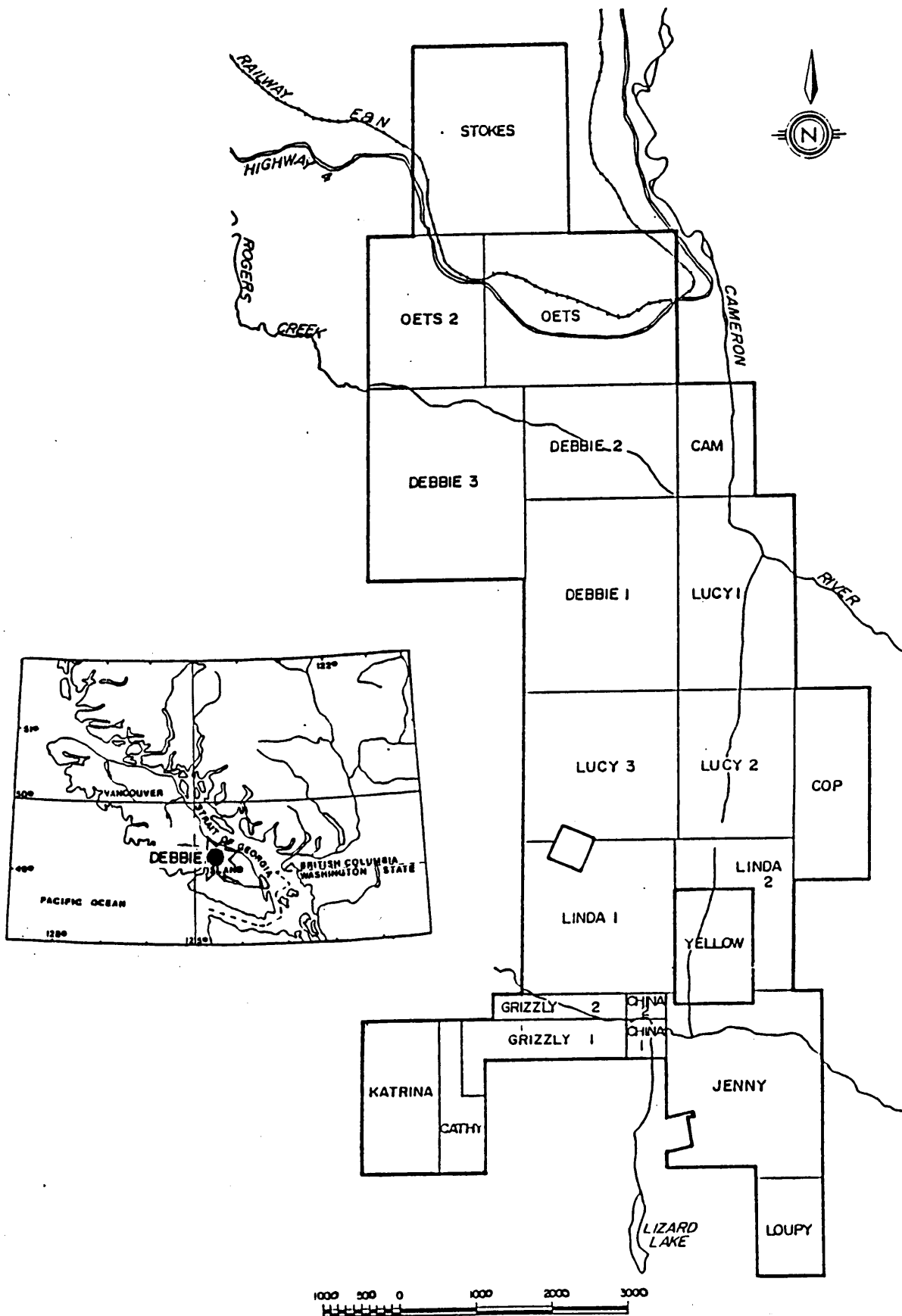
REWARD / ANGLE  
JOINT VENTURE  
WESTMIN OPTION

**LEGEND**

- STRATIGRAPHIC TOP
- APHYRIC BASALT
- BEDDING
- FOLD PLUNGE
- FAULT
- GOLD ZONE
- ROAD

**DEBBIE & YELLOW PROJECT**





HOLE	SECTION (ft.)	DIP	FROM (ft.)	TO (ft.)	LENGTH (ft.)	Au (oz/ST)
DM12		-50°W	172.9	181.1	8.2	0.164
			223.0	235.7	12.7	0.146
			(includes 223.0	226.5	3.5	0.389)
			255.8	262.1	6.3	0.105
DM15		-85°W	410.9	418.5	7.6	0.556
			558.7	562.4	3.7	0.102
DM19		-55°W	61.0	65.3	3.5	0.098
			191.7	207.3	15.6	0.099
			(includes 191.7	195.0	3.3	0.202)
			217.1	234.9	17.8	0.081
			261.4	264.4	3.0	0.156
			269.6	270.6	1.0	0.153
DM20		-75°W	64.3	71.3	7.0	0.075
			305.0	306.4	1.4	0.099
DM25		-60°W	288.6	297.2	8.6	0.110
DM28		-70°SW	475.1	496.9	21.8	0.062
			547.7	551.0	3.3	0.105
DM29		-71°W	78.7	165.6	86.9	0.087
			(includes 78.7	85.3	6.6	0.183)
			(and 141.0	159.1	18.1	0.171)
			(and 155.3	159.1	3.8	0.417)
DM32		-80°W	111.8	118.4	6.6	0.166
			180.7	182.7	2.0	0.104
			210.6	213.3	2.7	0.121
DM35		-87°W	201.4	240.4	39.0	0.067
			(includes 224.9	230.3	5.4	0.105)
DM36		-45°E	118.7	120.3	1.6	0.845
			168.4	171.7	3.3	0.485
DM43		-70°E	247.2	260.9	13.7	0.246
DM51		-60°W	396.6	398.0	1.4	0.248
DM74		-55°W	117.2	118.7	1.5	0.443
			331.2	352.6	21.4	0.073
			(includes 346.7	352.6	5.9	0.191)
			370.5	420.5	42.0	0.073
DM78		-65°W	108.6	109.6	1.0	0.285
			260.5	267.2	6.7	0.295
DM87		-70°W	210.6	274.9	64.3	0.082
			(includes 248.0	268.9	20.9	0.118)
DM90		-66°W	246.7	301.8	55.1	0.071
			(includes 249.9	271.7	21.8	0.088)
DM97		-59°W	92.1	95.1	3.0	0.563
			247.3	267.0	19.7	0.072
DM98		-67°W	239.4	262.4	23.0	0.082
			(includes 239.4	255.8	16.4	0.100)
			(and 244.4	252.6	8.2	0.136)
DM99		-60°W	65.6	75.4	9.8	0.087
			(includes 70.5	75.4	4.9	0.139)
DM119		-60°W	90.8	119.5	28.7	0.078
			(includes 90.8	103.9	13.1	0.101)
<b>C) LINDA ZONE</b>						
DM57		-55°W	127.1	127.8	0.7	4.895
			420.4	427.2	6.8	0.347
DM62		-70°W	132.4	142.2	9.8	0.578
			421.0	426.2	5.2	0.312
DM67		-62°W	136.1	139.4	3.3	0.174
			415.5	417.7	2.2	0.280
			457.1	460.4	3.3	0.123
DM70		-90°	252.8	254.4	1.6	0.122
			438.2	441.5	3.3	0.199
			465.2	466.8	1.6	0.216
DM83		-65°W	313.3	319.9	6.6	1.383
DM91		-70°W	291.0	295.6	4.6	1.31
DM125		-55°W	319.8	325.5	5.7	0.311

Note: Holes are numbered consecutively on the entire property, not consecutively on each zone. Some holes have been drilled in areas other than the three zones listed above.

**DEBBIE PROJECT**  
**SIGNIFICANT DRILL INTERSECTIONS**

**A) 900 ZONE**

HOLE	SECTION (Ft.)	DIP	FROM (Ft.)	TO (Ft.)	LENGTH (Ft.)	Au (oz/ST)
DN6	9274N	-55°E	207.3	210.6	3.3	0.128
DN8	9274N	-75°E	131.5 149.6 (includes 159.4)	134.8 171.2 171.2	3.3 21.6 11.8	0.101 0.143 0.213)
DN13	9389N	-70°E	124.0	129.9	5.9	0.223
DN45	9208N	-48°E	79.0 98.7	85.0 108.5	5.9 9.8	0.101 0.051
DN50	9208N	-70°E	140.0 182.7 249.0	143.3 227.0 254.2	3.3 44.3 5.2	0.164 1.137 0.452
DN52	9208N	-62°E (includes	122.0 125.3	148.2 141.7	26.2 16.4	0.243 0.335)
DN55	9208N	-56°E	278.4 311.3	285.0 314.6	6.6 3.3	0.210 0.564
DN58	9077N	-45°E	87.9 103.0	88.9 104.3	1.0 1.3	0.135 1.924
DN59	9077N	-64°E	74.5 104.6 124.3	79.7 107.9 127.6	5.2 3.3 3.3	0.959 0.166 0.101
DN63	9241N	-50°E (includes	146.6 173.8 347.7 368.0	185.0 185.0 349.3 370.6	38.4 11.2 1.6 2.6	0.099 0.220) 0.125 3.392
DN66	9241N	-62°E	305.0	319.1	14.1	0.622
DN69	9159N	-50°E	119.7	126.3	6.6	0.129
DN71	9159N	-67°E (includes and	86.9 86.9 103.3	106.6 93.5 106.6	19.7 6.6 3.3	0.088 0.134) 0.217)
DN75	9159N	-63°E	173.5	179.1	5.6	0.125
DN79	9126N	-45°E (includes	65.9 65.9	88.9 75.7	23.0 9.8	0.078 0.158)
DN85	9126N	-65°E	102.3 154.5	105.9 156.1	3.6 1.6	0.409 0.187
DN86	9028N	-45°E	94.5 125.6 140.0 (includes 145.3	97.1 130.5 146.9 146.9	2.6 4.9 6.9 1.6	0.118 0.074 2.760 11.38)
DN89	9028N	-55°E	108.9 158.4	112.8 159.4	3.9 1.0	0.310 3.919
DN92	9028N	-64°E	133.8 183.0	135.4 193.2	1.6 10.2	0.152 0.145
DN94	9028N	-72°E	155.9	159.5	3.6	0.353
DN112	2472E	-58°N (includes	70.5 80.7	91.8 86.3	21.3 5.6	0.086 0.126
DN114	2472E	-66°N	80.4 136.8 278.5 301.8	90.2 140.9 285.7 304.7	9.8 4.1 7.2 3.0	0.107 0.701 0.447 0.133
DN115	2472E	-44°N	82.0 110.9	101.7 114.8	19.7 3.9	0.212 0.151
DN118	2472E	-71°N (includes	142.3 145.6	189.4 164.6	47.1 19.0	4.078 9.782)
DN121	2434E	-80°N	214.0	233.9	19.9	1.449
<b>B) MINERAL CREEK ZONE</b>						
DM3		-64°W	329.4	366.6	37.2	0.124
DM5		-75°W	223.5 304.0	232.5 306.5	9.0 2.5	0.311 0.145
DM9		-75°W	203.5 239.1 281.6 301.1 327.6 379.5 470.8	205.4 239.7 289.7 303.1 338.9 388.3 477.0	1.9 0.6 8.1 2.0 11.3 8.8 6.2	0.303 0.112 0.147 0.138 0.175 0.104 0.091

# Exploration tunnel key to Debbie, Yellow projects

VANCOUVER — Westmin Resources (TSE) and Nexus Resource Corp. (TSE) seem satisfied with their progress driving a 1.2-mile-long exploration tunnel through a mountain near Port Alberni.

The tunnel will allow the co-venturers to get a handle on the extent, grade and metallurgy of the Mineral Creek and Linda gold zones; two of three quite distinct areas of mineralization found within the 23-sq-mi Debbie and Yellow properties.

While Westmin hasn't yet completed a mineral inventory calculation for the project, junior partner Nexus said drill intersections from 148 holes into the Mineral Creek and Linda zones were used for preliminary estimates that "amply justify the joint decision to proceed with the underground program." The partners will spend \$6 million this season, with Nexus contributing \$2.8 million, making this project among the largest in Western Canada.

"It's a big one," said Richard Walker, Westmin's exploration manager from Vancouver Island. "The quality of the exploration target to be made accessible for drilling from the tunnel path certainly warrants systematic drilling. And we expect to recover a major portion of the expense of the tunnel by saved drill costs." (Walker, along with associates Edward Lyons and Cliff Pearson, is credited with the discovery of Westmin's H-W orebody near Butte Lake.)

The partners have equal interests in the Debbie claims, while Westmin, by spending just over \$800,000 during 1988, will earn a 24.5% interest in the Yellow claim group. The project area is at the northern end of the Sicker Belt, a region intensely explored in recent years for both precious and base metals.

The Debbie/Yellow project is undoubtedly the most advanced of recent efforts. So far Westmin has carried out about 135,000 ft of diamond drilling in about 250 holes which led to the discovery and partial delineation of three zones. The Mineral Creek zone, a north-trending disseminated and veined mineralized mass in the hanging wall of the Mineral Creek fault, has been tested for over a 2,000-ft strike length.

Nexus says one of two reconnaissance holes drilled 1,560 ft to the north of the explored portion of the zone encountered "ore grade" intersections which suggest potential for increased reserves. Results from the Mineral Creek zone include: 31.2 ft grading 0.128 oz gold per ton; 9 ft of .308 oz; 18.0 ft of 0.171 oz; 69.1 ft of 0.103 oz and 15 ft of 0.551 oz.

Walker told The Northern Miner the Mineral Creek zone is viewed as having the best tonnage potential, but because it is a sulphide altered zone (about 3-5% pyrite) in a carbonate altered rock, a bulk sample would have to be taken from underground to determine grade and to address the metallurgy question. (There is a bright spot though, in that the carbonate alteration makes the material non-acid generating.) Three raises and crosscuts from the tunnel into the zone will provide for the extraction of the

A \$5.74-million rights offering has been completed by Citadel Gold Mines (TSE). The company issued 1,382,687 common shares and an equal amount of flow-through shares.

bulk sample and detailed evaluation.

To the east of the Mineral Creek zone is the Linda zone, a series of high-grade, east-dipping gold-quartz veins. Results here include: 9.9 ft of 0.578 oz gold; 3.3 ft of 1.383 oz and 4.9 ft of 0.996 oz. This zone will also be drill-tested from stations in the tunnel.

About a mile away from the Mineral Creek zone, a gently folded gold-bearing chart formation caps a high grade gold bearing quartz stockwork known as the 900 zone. High grade here means exactly that: 71.5 ft of 0.736 oz gold; 47.1 ft of 4.078 oz and 19.9 ft of 1.449 oz. are some examples.

Walker said step-out drilling would be done on the 900 zone as only about 600-700 ft of strike length has been drilled. But he adds the area was drilled in enough detail to recognize "a significant amount of gold in a small volume of rock, a good portion of which looks open pittable."

Although Westmin plans to test a number of highly prospective geochemically anomalous targets away from these known zones, the \$3.3-million tunnel project will be a top priority. Advancing at a rate of about 35 ft a day since late June, contractors Main Street Mining are already over a third of the way through and expect to meet their late February, 1989 deadline.

Nexus President Dr John Stephenson said ground conditions are "excellent" so far, with no rock bolting required and very little water encountered. Over the next several months the partners expect to report on the results of the fan drilling into the Mineral Creek zone beyond the previously tested area as the tunnel advances southward.

Junior partner Nexus considers the Debbie/Yellow project its main asset and "flagship," but it has also been building another kind of asset. Last week the company announced the resignations of long-time directors James MacNeil and Leon Nowek and the appointment to its board of Peter Bradshaw, president of Equity Reserve and Equity Preservation. Already on side are John Stephenson and Gerald Carlson, both holding Ph.D's in Economic Geology. Karl Elers, president of Battle Mountain Gold (TSE), joined the team in 1988, as did company Chairman and CEO, W. G. (Bud) Kanke.

The remaining vacancy is to be filled by an individual with a strong mining engineering background, giving rise to suspicions that the company is interested in doing a lot more than signing joint venture cheques.

"While it's true we're not operators on most of our projects, we expect that to change in the future," said Stephenson in a recent interview. The company has a number of other advanced projects (two with Bond Gold) and has taken on a number of new projects. Stephenson said the company is actively seeking new projects with good production potential.

But Nexus has a possible watershed on its corporate horizon to deal with first. Equity Preservation and Equity Reserve, which together have a 32.6% (soon to be 36%) interest in Nexus, are up for sale. Merrill Lynch Canada is conducting a global auction for the assets of the two closed-end flow-through funds, and according to Stephenson, there have already been a number of serious nibbles.

"We don't know yet who the

buyer will be, but if it turns out to be a major mining company, it may choose to leave Nexus the way it is and just ensure its future funding and provide various resources," he said. "Of course it may want to rationalize the various companies it would acquire control of and I

don't know what would happen in that scenario, but in either case the assets aren't going to go away."

Battle Mountain has a fairly large position in one of the Equity funds and its president is now a director of Nexus, fueling some speculation that having turned down the

Noramco Mining deal, Battle Mountain may be interested in the Equity companies.

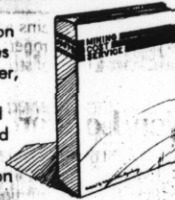
Stephenson would only say that Nexus was confident Equity's management and shareholders will select the most suitable buyer when presented with the various offers.



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(416)



**NEXUS**  
**RESOURCE**  
**CORPORATION**

NEWS RELEASE

FIRST UNDERGROUND RESULTS ANNOUNCED FROM YELLOW PROPERTY

April 11, 1989 - Nexus Resource Corporation (NXS-T,V) is pleased to announce gold assay results from its jointly-owned Yellow property on Vancouver Island, B. C. Co-venturer and operator during the 1988/1989 program, Westmin Resources Ltd., released new underground information.

The results are from the 9960N cross-cut penetrating the Mineral Creek gold zone. The cross-cut is along Section 9960N, 40 metres south of the Debbie/Yellow property boundary and is off the recently completed access tunnel. Continuous 1 metre chip samples were taken along the entire 58 metre length of both walls of the east-west cross-cut through the steep, east-dipping Mineral Creek zone. A ten metre-wide section along the south wall produced an average value of 0.17 oz/t gold within which a 3 metre section averaged 0.29 oz/t. The corresponding section in the north wall averaged 0.18 oz/t over 9 metres including a 5 metre-wide section averaging 0.25 oz/t. These values are based on metallics fire assays.

Two bracketing drill holes from earlier surface drilling, Y39 (0.07 oz/t gold over 6.5m horizontal width) and Y13 (0.12 oz/t gold over 14.3m horizontal width), penetrated the Mineral Creek zone above and below the crosscut. These are significantly lower values than from the chip sampling in the cross-cut. This indicates the importance of the underground program in establishing the tenor of the Mineral Creek gold zone.

The 9960N cross-cut intersects a broad zone of complex deformation, alteration and quartz veining, that varies from 7 to 30 metres wide. The zone appears best developed in an area 230 metres to the north to 90 metres south of the 9960N cross-cut. It contains lower grades of gold with intervening higher grade sections over most of its width.

TARGETS FOR 1989 PROGRAM:

The 9960N cross-cut is located about midway along the Mineral Creek zone which surface drilling has shown contains significant gold mineralization along at least 850 metres. The Yellow property covers 550 metres of this strike-length and an additional southerly 950 metres of the Mineral Creek fault, along which the zone occurs. Seven reconnaissance drill holes intersected anomalous gold in three widely separated parts of the southerly section of the fault. This southern two-thirds of the property will be the subject of follow-up drilling.

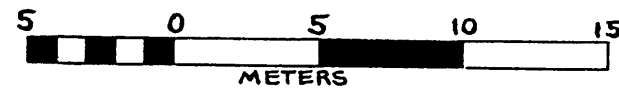
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V6C 2X8

TEL: 604 682-8567  
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92F079



**MINERAL CREEK ZONE**



MAIN TUNNEL  
1810 M TO PORTAL

9960 N CROSS-CUT

ELEV. 876 M

RAISE TO SURFACE

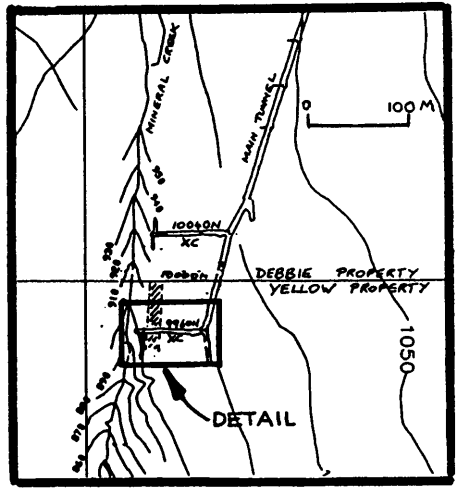
GOLD OZ./TON WIDTH

GOLD GEOCHEMICAL ASSAYS  
GOLD METALLIC ASSAYS

DDH  
Y 13

(876.7)  $\blacktriangle$  Y39

A-56 (896.41 BACK ELV.)



.050	.044	.068	2.65	.031	.035	.040	.036	.083	.106	.097	.120	.039	.067	.066	.056	.198	.273	.097	.096	.203	.518	.184	.152	.059	.214	.01	.007	.01	.003	.01	.013	.019	.025	.025	.020	.012	.021	.046	.045	.061	.059	.036	.049	.005	.005	.001	.002	.001	.009	.001	.003	.004	.004	.001	.001	.230	.117	.006	.006	.011	.012	.001	.001	.001	.001	.001	.001	.018	.025	.017	.024	.001	.001	.014	.011	.011	
.022		.022		.020	.016	.049	.044	.033	.024	.052	.053	.195	.258	.117	.107	.129	.101	.148	.174	.133	.125	.519	.433	.171	.118	.374	.003	.083	.003	.083	.011	.011	.002	.001	.002	.001	.005	.001	.001	.001	.001	.001	.001	.001	.001	.004	.001	.019	.015	.016	.015	.012	.015	.019	.015	.015	.010	.010	.001	.001	.001	.001	.001	.001	.001	.001	.001	.001	.001	.001	.001	.001	.001	.014	.014	.017	.011

Drill hole Y93, located 450 metres south of the 9960N cross-cut, intersected 0.13 oz/t gold over a 4 metre core-length. The gold occurs within layers of chert and jasper, 20 metres east of the Mineral Creek fault. This is analogous to the bedded chert above the "900" zone high-grade gold-quartz stockwork. The "900" zone is located on the Debbie property 750 metres to the southwest of Y93. Additional drilling for "900" zone stockwork-type mineralization below the gold-bearing chert will be undertaken on the Yellow property.

Vancouver Island Gold Mines Zone:

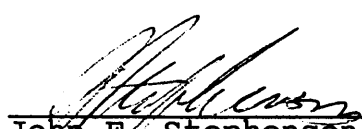
Another group of primary exploration targets on the Yellow property consists of a complex series of at least six, more or less discrete, narrow, but high grade gold-quartz veins. These are 10 to 200 metres east of, and striking sub-parallel to the Mineral Creek zone. Vancouver Island Gold Mines Ltd. had recorded production in the 1930's of 440 tons grading 0.8 oz/t gold from three of these veins. One of these, the Mac vein, appears from drilling and trenching, to have a strike-length of at least 400 metres. Chip-sampling of the Mac vein in 1934 yielded an average of 3.4 oz/t gold over 0.15 metres along 76 metres of strike-length. This series of narrow, high grade veins will be systematically evaluated in 1989 to determine whether the veins are sufficiently continuous and high grade to be mined.

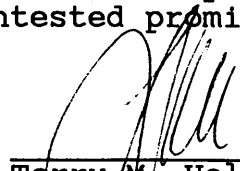
OPERATORSHIP CHANGE:

Effective March 1, 1989, Nexus assumed operatorship of its 75.5%-owned Yellow property and intends to execute a full operating joint venture agreement with 24.5% owner Westmin, before proceeding with the next program.

Total expenditures on the Yellow Property in 1988/1989 were \$1.29 million. Of this, Westmin's share was \$928,000 to earn their 24.5%. It is expected that Westmin will continue to exercise their right to maintain this interest level.

Nexus is looking forward to directing the exploration program on the Yellow property to evaluate the economic potential of the known gold bearing zones and the untested promising targets.

  
\_\_\_\_\_  
John F. Stephenson  
President

  
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Terry M. Holland  
Secretary

Neither the Vancouver Stock Exchange or the Toronto Stock Exchange have approved of or disapproved of the information contained herein and none of such exchanges accepts responsibility for either the accuracy or the content of this news release.

Yellow 79

SILVER CLOUD MINES LTD.

GCNL #11 11-01-80

FOUR PROJECTS REVIEWED - Eric N. Ascroft, president of Silver Cloud Mines Ltd., has reported that the company has four projects underway, recently had the shares listed on the Vancouver Curb Exchange and completed the sale of 400,000 shares off a prospectus to net \$162,250 which brought the issued shares to 1,564,500.

The Yellow claim gold property on Vancouver Island has been explored by a road and some bulldozer trenching. Western Mines has recently staked claims surrounding the Yellow claim group and has expressed interest in examining the Yellow group. Previous work on the claims indicated several gold bearing veins, one of which averaged 3.69 oz. gold per ton across  $\frac{1}{2}$  foot along a 250-foot length.

The West Pembina Shelter et al 11-8-50-11 W5 well is an indicated Cadomin oil well. Production equipment is being installed and, once confirmation is received that the well is a commercial success, additional drilling will be undertaken.

Silver Cloud has a 10% interest to payout, 4.125% after payout, in a dual zone prospect for Basal Quartz oil and Viking gas in this area north east of Calgary. There are seven potential oil locations and two for gas. Drilling is underway with results expected near the end of January, he states, from this Ravenna et al Farrell Lake well.

The company has a 5% working interest in an oil play which could cover some 15,360 acres in the Otter Lake, area Alberta, to the north of the Red Earth oil field. The prospect is very encouraging for encountering significant reserves of Granite Wash or Keg River sand oil. Drilling of the initial well is awaiting the availability of a rig some time in January.

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