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SUMAC VENTURES INC. (SSV-V) 9245E036

LEGAL CLARIFICATION SOUGHT - R.H. Seraphim, president reports Sumac Ventures Inc.

has acquired, by staking under the new Mineral Tenure Act and Regulations, the Aorangi Fr (fractional) mineral claim. This claim covers old Mascot mine tailings on Lot 1796 previously leased from the Ministry of Lands and Forests. Since acquiring right to the <u>old Mascot Mine tailings at Hedley, B.C.</u> legal proceedings have started which have raised questions concerning title to the property. The company is taking active measures to clarify this matter in order to enable it to begin processing material in the near future. These tailing are recorded at about 500,000 tons with grade close to 0.05 oz.gold/ton. Engineering and permitting are continuing.