

FOOTWALL EXPLORATIONS LTD.



VSE- FTW

THE PROPERTY

Located near Zeballos, Footwall's 180 claim unit, 2921 hectare property is situated near the west coast of Vancouver Island, British Columbia. The Zeballos gold camp, discovered around 1934, is in one of the oldest, richest and least exploited precious and base metal areas in British Columbia. From 1930 until 1942, 13 operating mines produced 287,811 ounces of gold. The most productive of these mines, the Privateer, is again on the verge of going into full production. It is significant to report that the Zeballos gold camp never reached its zenith after its initial eight years of operation because of the onset of World War II and the war's onslaught on skilled mining manpower.

Footwall's property itself, designated as the Hiller-Churchill group of claims was subject to considerable exploration, mapping, drilling and magnetometer surveys during the 1950's and 1960's to delineate the iron ore potential of the property. This was subsequently established to be 5.7 million tons of drill estimated magnetite averaging 33% Fe. An adjoining property, the Zeballos Iron Mine, in fact shipped 1,420,000 tons of magnetite concentrate during 1962-1969.

Research indicates this magnetite concentrate, which has numerous and essential industrial uses such as coal scrubbing and ferro concrete, is in relatively short supply and is currently commanding a price of \$80-100 per metric tonne. Exploitation of this resource has the potential of adding multi-millions of dollars to the value of this property.

Even given the historic gold production in this area, scarcely any attention was paid to the precious metal potential of these claims. In 1984, however, several anomalies were located in the A-25 grid area of the Hiller claims, the most northwesterly of the block. Sixteen out of the 32 diamond drill holes intersected gold mineralization in Skarn zone. Hole H85-24 intersected 6.5 feet averaging 9.03 ounces of gold.

Diamond drill core assays greater 0.33 ounce

HOLE #	WIDTH IN FEET	OUNCES PER TON AU
84-1	3.3	0.45
84-7	3.4	1.14
84-17	3.3	0.53
84-20	3.3	0.51
84-22	9.9	0.50
85-24	6.5	9.03
85-29	3.3	0.72
Plus	6.5	0.50
85-30	3.3	2.54

On September 26th, 1988, the Directors of Footwall Explorations Ltd. were pleased to report positive results from the exploration program. Underground exploration on the A-25 gold zone which has consisted of drifting and raising to one of several high grade diamond drill hole intersections has now confirmed previous high grade assays from diamond drill hole 24-85.

Sludge samples (drill cuttings) from the west side of the raise approximately 41 to 49 feet below the surface returned the following impressive values:

From 0 ft. to 4 ft. = 22.58 oz of gold per ton
From 4 ft. to 8 ft. = 10.38 oz of gold per ton
[for an average of 16.48 oz of gold per ton]

The raise which knuckles back to the surface also encountered an additional 20 feet of massive sulphides. Assays are pending.

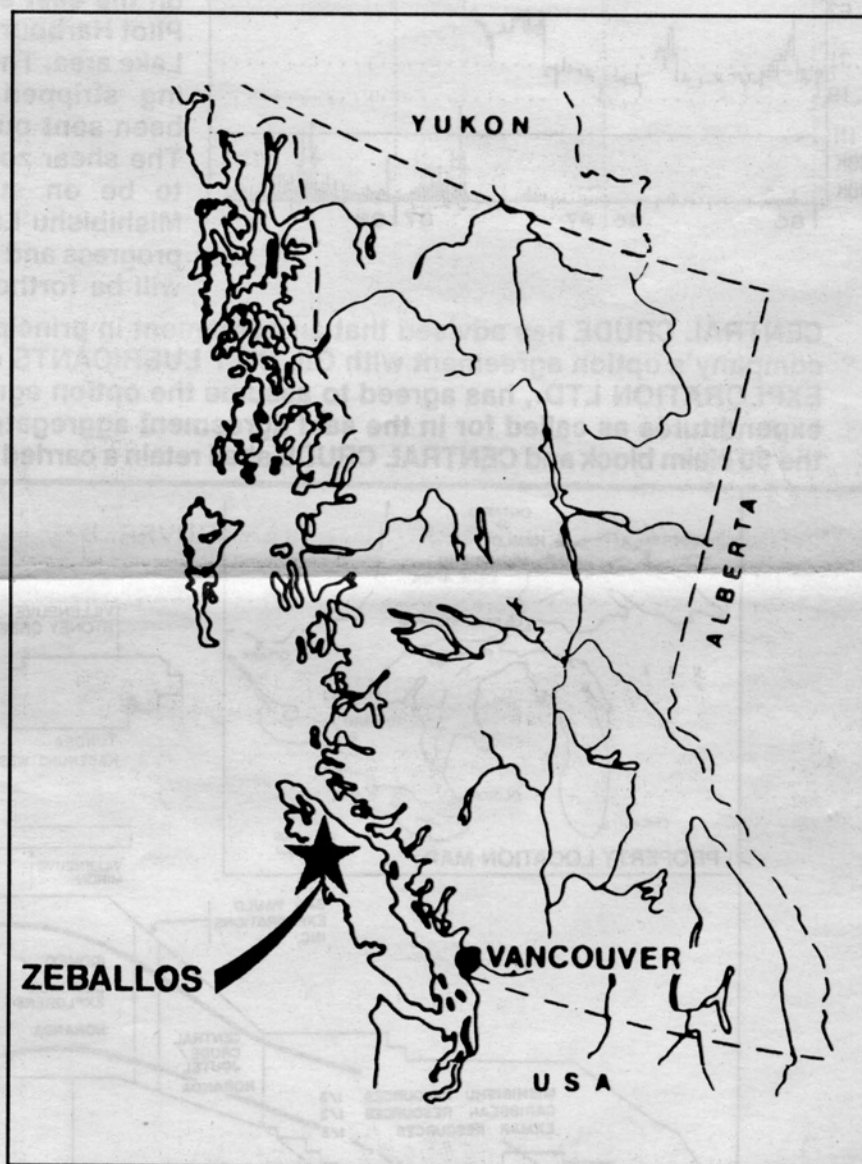
Current muck samples (broken rocks) from the zone have now returned values of 6.630 oz of gold per ton.

Detailed sampling and geological mapping, as well as surveying is being carried out to fully evaluate these results and determine the best method for continuing the underground exploration program.

Vein material from another zone on the same property have returned surface assays of 2.532 oz gold per ton, 7.01 oz silver per ton and 8.82% lead and 24.63% zinc.

Gold-enriched skarn zones are now recognized by the mining industry as vitally important exploration targets for precious metal deposits. Historically, B.C.'s Phoenix mine with its gold-silver-copper skarn deposit produced in the order of one million ounces of gold, 6 million ounces of silver and five hundred million pounds of copper. The gold-enriched skarn of Nickel Plate Mountain, owned by Mascot Gold Mines is currently British Columbia's major gold producer.

An exploration program which will total \$1,000,000 on the Hiller-Churchill Group has commenced, the camp has been established, a road to the portal has been built and 349 feet of crosscut drifting, 102 feet of raising and 31 feet of sub-drifting has been achieved.



CAPITALIZATION:

Authorized: 10,000,000 (N.P.V.)
 Issued and outstanding on completion of primary: 1,797,002
 Trading at time of issue: 1,047,002
 Escrow (non trading): 750,000
 Trading symbol: FTW-V

MANAGEMENT

The directors of Footwall Explorations are experienced mining people, highly qualified in mineral exploration and development. The team is headed by well known prospector and exploration manager John W. Carson.