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NO.202(1990)  
OCTOBER 18, 1990

*George Cross*  
*Reliable A*

EUREKA RESOURCES, INC. (EUK-V)

FIELD PROGRAM COMPLETED - J.J.O'Neill, president, Eureka Resources, Inc. reports that the 1990 field program, comprised 64 drill holes totalling 8,950 meters, has been completed on the Frasergold located 60 miles east of Williams Lake, B.C. Asarco can earn a 50% interest by spending \$1,400,000 in 1990 and up to \$2,000,000 in 1991 and 1992. Of the total holes, 25 were HQ diamond drill holes exploring the northwest and southeast extension of the Main Zone and the geochemical anomaly extending through the northwest portion of the property.

Thirty-seven reverse circulation holes were completed to infill a 3-1/2 km strike length of the Main Zone at 50-meter intervals. Two additional holes tested the Eureka Peak zone. Assays are pending. About 3,500 of the 6,000 samples collected have been assayed to date. From the assays received, those holes drilled in the Grouse Creek area (the southeast extension of the Main zone) appear most promising. Visible gold is reported in eight of the 30 holes drilled in this area. Assays have been received from only 23 of these holes. Assays indicate strong grades of mineralization over a strike length of 1.25 km. across widths exceeding 30 meters. One assay of 3.409 oz.gold/ton over a width of 1.5 meters was reported from hole #90-140. The drilling extends mineralization of the Main Zone over a full strike length of 2 km. Assay returns from eight holes over an additional one km. to the southeast are pending. Drilling and underground bulk sampling prior to 1990 indicated 5,000,000 to 7,000,000 tons grading 0.05-.075 oz.gold/ton over a strike length of 0.75 km. and to a depth of 100 meters. Early assay returns indicate similar grades over comparable widths and to the 100 meter depth in the Grouse Creek area. The remaining assays are anticipated over the next 4 - 5 weeks. On receipt of all data, a comprehensive summary of the results will be released. (SEE GCNL No.139, 19Ju190, P.1 FOR PREVIOUS INFORMATION)

93A 150

NO.32(1991)  
FEBRUARY 14, 1991

*George Cross News*  
*"Reliable Reporting"*

EUREKA RESOURCES INC. (EUK-V)

FRASERGOLD EXPLORATION PLANNED - J.J.O'Neill, president,  
reports Eureka

Resources Inc. and ASARCO Inc. are planning a 1991 exploration program for the Frasergold property located 60 miles east of Williams Lake, B.C. ASARCO is earning a 50% interest and must spend a minimum of \$2,000,000 on exploration in 1991 to maintain its option. ASARCO must complete a feasibility study and make a production decision to exercise its option.

Details of the 1991 program have not yet been finalized, but will likely include diamond drilling, reverse circulation drilling and underground bulk sampling. Eureka has recommended the bulk sampling program be undertaken from the existing adit as well as from a minimum of two additional adits.

ASARCO recently received an independent report from James Askew Associates Inc. which confirmed a drill indicated geological inventory of 12,000,000 to 15,000,000 tons grading 0.05 - 0.06 oz.gold/ton to a 100-meter depth. The report forecasts the gold content may be higher than drill results indicate. As the comparisons of drill indicated grades to bulk sample grades in the underground workings suggest grade improvement may be as high as 80%. (SEE GCNL No.224, 20Nov90, P.1 FOR PREVIOUS INFORMATION)

93A 150

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## Horsham profit off slightly despite oil, gold markets

Despite extreme volatility in the oil markets, weak gold prices and a US\$4.2-million fourth-quarter loss, Toronto-based Horsham (TSE) had another profitable year.

Horsham, which controls gold producer American Barrick Resources (TSE), reported net earnings of US\$58.2 million or 66¢ per share on revenues of US\$2.8 billion for the year ended Dec. 31. That compares with net earnings of US\$60.1 million or 71¢ a share on revenues of US\$2.1 billion in the same period last year.

According to Horsham, 1990 results include net charges of US\$8.8 million before tax, while the previous year's earnings include a dilution gain of US\$14.8 million relating to Horsham's interest in Barrick.

Excluding these factors, net earnings would have increased by 14% to US\$51.7 million or 58¢ a share from US\$45.4 million or 54¢

a share in 1989, the company says.

In the three months ended Dec. 31, Horsham reported a net loss of US\$4.2 million or 4¢ a share on revenues of US\$843 million, compared with a profit of US\$27.4 million or 31¢ a share on revenues of US\$583.3 million in the equivalent period last year. Horsham attributes the 1990 fourth-quarter loss to a onetime charge against expenses of US\$26.7 million.

Because of higher refining margins and reduced interest costs, Horsham's 60% owned subsidiary Clark Oil & Refining earned US\$94.5 million before tax and other non-recurring charges in 1990 compared with US\$81 million in 1989.

American Barrick's earnings were up 73% from 1989 levels to US\$58.2 million as a result of a 27% increase in gold production.

## More sampling planned for Frasergold

VANCOUVER — Although details have yet to be finalized, the 1991 field program for the Frasergold project near Williams Lake, B.C., is expected to include more diamond and reverse circulation drilling and underground bulk sampling.

The project is owned by Eureka Resources (VSE), with a unit of Asarco (NYSE) holding the right to earn a 50% interest on production of a feasibility study and a commitment to place the property into commercial production.

After a review of results from the 1990 program, Eureka was assured by Asarco that it intends to support the 1991 program. Asarco must spend at least \$2 million this year to maintain its option on the property.

Referring to a report from an independent consultant, Eureka said the 1990 program "confirms the drill-indicated geological inventory" of 12-15 million tons

grading 0.05-0.06 oz. gold per ton to a depth of about 300 ft.

The report also supports the belief that the actual gold content is greater than the grade produced from drill results. Eureka reported that comparisons of preliminary grades to bulk sample grades in the area of the existing underground workings suggest "this grade improvement may be as high as 80%."

Achieving consistent assay re-

sults has been a problem at Frasergold because of the coarse, particulate nature of the mineralization. "It is for this reason that Eureka recommends a large portion of the 1991 program be committed to bulk sampling," stated Eureka President J.J. O'Neill.

The company is recommending that continued bulk sampling be undertaken from the existing adit, as well as from a minimum of two other adits.

## Black Swan running in red

VANCOUVER — With two mines now in operation, Black Swan Gold Mines (VSE) is working to push results back into the black.

For the nine months ended Dec. 31, the company reported a loss of \$199,000 on revenues of \$3.9 million. This compares with a loss of \$777,000 on revenues of \$3.4 million in the year-earlier period.

Cash flow for the 9-month period was \$432,000 while working capital slipped into a deficit of \$625,000 as a result of expenditures on the company's new Whistler open pit mine in Western Australia.

Black Swan spent \$3.1 million on the mine over the period, including the \$800,000 partial payment to the previous owners, CRA Exploration. Two further instalments of \$515,000 each remain outstanding, one due in July, 1991, and the other in February, 1992.

The company began mining operations on Nov. 1, 1990, and expects the mine to produce 1,800 oz. gold per month over the present calendar year. Gold production is forecast to total 32,400 oz. per year, including the company's share of production from the 25% owned Gabanintha mine which is also in Western Australia.

Cash operating costs at the Gabanintha mine were US\$275 per oz. over the 9-month period, while operating costs at the Whistler mine are projected at US\$285 per oz.

## Hollinger testing manganese sample

"Shipment of an 8,000-tonne test sample of manganese ore to a ferro-manganese furnace near Montreal has been completed, Hollinger North Shore Exploration reported.

Hollinger, a unit of La Fosse Platinum (TSE), said the sample was extracted last autumn from one of the company's manganese deposits in the Schefferville area of Quebec.

The company said no deals will be signed until the grade and chemical specifications of the ore are known.

Hollinger boasts a preliminary reserve of more than three million tonnes in 40 separate deposits. About 30,000 tonnes of mainly near-surface material have been extracted to date. A drilling program is planned for the spring.

Cost to extract the manganese test sample was \$200,000, with some of the funding coming from a private placement. La Fosse completed the private placement involving the sale of 588,000 flow-through shares at 34¢ per share during the latter half of 1990.

## Northern Abitibi drilling

A diamond drilling program has started on Northern Abitibi Mining's (ASE) Douay Twp. gold property under option to Inco (TSE) and Vior (ME) in northwestern Quebec. Equal partners Inco and Vior can earn a 50% interest in the Northern Abitibi claims by spending a total of \$1.5 million on

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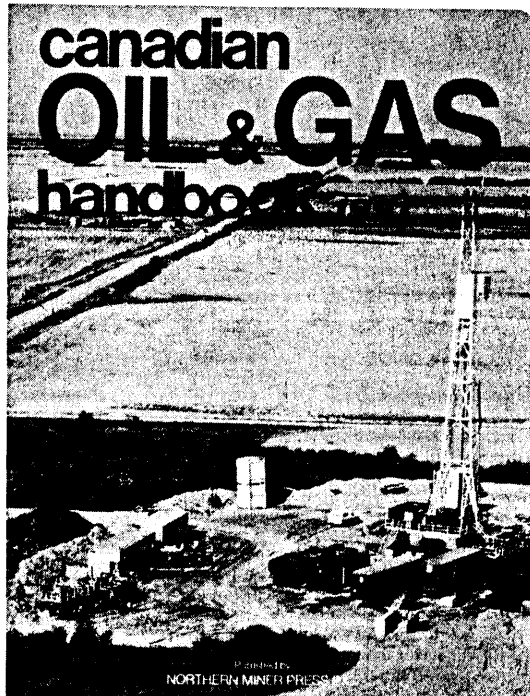
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093A 150

EUREKA RESOURCES, INC.

**FRASERGOLD PROJECT  
SUMMARY - DRILL HOLE DATA  
(Initial 13 holes - 1987 PROGRAMME)**

93A/7E  
GEM

DRILL HOLE	INTERVAL (metres)	WIDTH	AU.OZ/T
R87-24	39.0-49.5m	10.5m (34.5 ft.)	.023 (.046)
	60.0-64.5m	4.5m (14.8 ft.)	.046 (.067)
R87-33	24.0-46.5m	22.5m (73.8 ft.)	.049
	incl. 39.0-40.5m	1.5m (5.0 ft.)	.249
R87-34	15.0-33.0m	18.0m (59.0 ft.)	.041
	incl. 15.0-19.5m	4.5m (14.8 ft.)	.106
R87-35	22.5-28.5m	6.0m (19.7 ft.)	.044
	40.5-48.0m	7.5m (24.6 ft.)	.055
	63.0-66.0m	3.0m (9.9 ft.)	.051
R87-36	28.5-31.5m	3.0m (9.9 ft.)	.142
	49.5-63.0m	13.5m (44.3 ft.)	.033
R87-37	7.5-22.5m	15.0m (49.2 ft.)	.083
	incl. 7.5-10.5m	3.0m (9.9 ft.)	.355
	and 34.5-39.0m	4.5m (14.8 ft.)	.024
R87-38	27.0-43.5m	16.5m (54.1 ft.)	.110
	incl. 28.5-31.5m	3.0m (9.9 ft.)	.472
	and 63.0-72.0m	9.0m (29.5 ft.)	.025
R87-39	6.0-9.0m	3.0m (9.9 ft.)	.030
	39.0-48.0m	9.0m (29.5 ft.)	.021
R87-40	12.0-31.5m	19.5m (64.0 ft.)	.049
	incl. 30.0-31.5m	1.5m (5.0 ft.)	.365
	and 49.5-54.0m	4.5m (14.8 ft.)	.063
	and 63.0-72.0m	9.0m (29.5 ft.)	.031
R87-41	37.5-60.0	22.5m (73.8 ft.)	anomalous
	60.0-70.5	10.5m (34.5 ft.)	.029
R87-42	84.0-93.0	9.0m (29.5 ft.)	anomalous
R87-43	15.0-27.0	12.0m (39.4 ft.)	anomalous
	55.5-58.5	3.0m (9.9 ft.)	.026
R87-44	31.5-37.5m	6.0m (19.8 ft.)	.022
	61.5-70.5m	9.0m (29.5 ft.)	.040
	incl. 63.0-64.5m	1.5m (5.0 ft.)	.204

Bracketed gold content based on total metallics assay.

NM Vol 73, #41

**Eureka extends zone**

A reverse circulation drill program completed by Eureka Resources has confirmed the extension of the Jay zone over a strike length of 750 m. The property is located near Williams Lake, B.C.

Over the strike length, gold values in the zone average 0.071 oz gold per ton across a width of 17.6 m (58 ft). An enriched zone has been delineated within the main zone. Grades average 0.155 oz across a width of 11.3 m (37 ft).

Based on the encouraging results, a \$2.8-million exploration program has been recommended for the property.

93A (2) - 03

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NM  
Dec. 21/87

N MINER  
7 MARCH 1985

# Cariboo-Quesnel active

93A/12EN  
(93A 131)

Activity is expected to pick up this year in B.C.'s Cariboo-Quesnel gold belt where **Dome Exploration** has been actively exploring its QR property for a number of years now.

Following Dome's initial success, a number of junior companies acquired ground in the region but none has been able to duplicate the results obtained by Dome which are reported to indicate a medium-sized, moderate grade, near-surface gold deposit in a fairly complex geological environment. Dome has not indicated what plans it has for the property this year.

**Mt. Calvary Resources**, which is associated with **Teck Corp.**, is planning follow-up drilling on its Cariboo-Likely and CPW gold properties in 1985. The company has the property under option from **Carolin Mines** and can earn a 50% interest by spending \$700,000 before Dec. 31, 1985. More than half that has been spent already.

Last year's program identified gold mineralization in the Madre zone with assays reported up to 0.15 oz. gold over 36 ft. and 0.1 oz. over 50 ft. in sedimentary rocks. Reverse circulation drilling is also planned for the Gold Creek zone plus trenching and possibly drilling if necessary for several other targets.

**Apex Energy** has been trying to locate the hardrock source of placer gold in that mining district and several anomalous zones have been located on its ground 10 miles east of Dome. An Apex consultant has recommended further exploration in 1985 and the work could include soil sampling, trenching and some percussion drilling. 93A/136 (93A 150)

Much further south in the Quesnel trough, **Amoco Canada Petroleum** has been drilling **Eureka Resources'** Frasersgold property with mixed results but some fairly high grade values have been reported over generally narrow widths. Amoco has been sending composite samples to Lakefield Research for cyanide leach tests because results from samples containing visible gold have often been inconsistent. 93A/137 (93A 150)

Last spring, Eureka concluded an option agreement with **Noranda Exploration** for the Dor gold prospect some 12 miles west of Frasersgold where a large sulphide zone has been outlined. Noranda has until Mar. 1, 1987, to spend \$500,000 on exploration and pay \$220,000 in cash to Eureka for a 50% interest.

Amoco can earn a 50% interest in the Frasersgold by spending \$900,000 by the end of 1985.

Frasersgold  
93A 150

93A/137  
(93A 150)  
93A/138

June 1988

EUREKA RESOURCES, INC. (EUK-V)

FRASERGOLD DRILL HOLE - Eureka Resources, Inc. has  
ASSAYS REPORTED reported termination of the  
GCNL drilling program on the  
Frasergold property 60 miles east of Quesnel, B.C. 20  
reverse circulation holes were drilled. Four holes  
(#24, 33, 35 & 36) filled in the 1986 drill proven Jay  
zone. Four holes (#34, 42, 43, and 44) tested the  
northwest extension of the Jay zone, and the remaining  
12 holes (to R87-51) tested the southeast extension of  
the Jay zone.

93A/7E 93A 150

Assay data to hole R87-44 are now complete.  
Significant intersections are listed overleaf.

Holes R87-37 to R87-41 are 100-meter step-out holes  
to the southeast of the Jay zone. Intersections of  
15-20 meters (50-65 ft.) wide grading 0.049-.110 oz.  
gold/t substantiate a 400-500 meter extension of the Jay  
zone to the southwest. The average grade of these  
intersections, 0.074 oz.gold/t, is substantially higher  
than the 0.06 oz.gold/t average grade of the Jay zone.  
Holes R87-45 to R87-51 were drilled to fill in this  
southeastern extension to 50 meter intervals. Assay  
data from these holes are awaited.

**EUREKA RESOURCES, INC. (EUK-V)****SOUTHLANDS MINING CORPORATION (SSM-V)**

RESERVE CALCULATIONS REVIEWED- Eureka Resources, Inc.,

*GCNL*  
*DEC 15/87 # 240*  
 has reported evaluation of the 1987 reverse circulation drilling at the Frasergold project near Williams Lake, B.C. has confirmed the extension of the "Jay Zone". The consultants indicated the zone to be continuous over the 750 meter strike length, having an average grade of 0.071 ounces gold per ton over an average total width of 17.6 meters (58 feet).

Drilling has been completed at 25 meter intervals over a 250 meter strike length and at 50 meter intervals over the remaining 500 meters, to a vertical depth of 50 meters. Contained within the zone is an enriched horizon, at least 225 meters long, averaging 11.3 metres (37 feet) in width and grading 0.155 oz. gold/t.

The company's consultants have also reported that results of the analysis of some 1398 samples by special metallics assay techniques, suggest that conventional fire assays underestimated the content of gold in drill core and cutting samples, by a factor as much as 15%. The reported averaged gold content of 0.071 oz. gold/t may be as high as 0.081 oz. gold/t. *13A150*

Previous drilling (1983/84) indicates the zone is continuous over a length of 1.5 km and to a vertical depth of 150 meters, and should contain mineralized grades comparative to the results of 1986/87 drilling. The report concludes "there is a strong inferred geological potential for this area to yield in the neighbourhood of 20,000,000 tons with an average grade between 0.05 and 0.08 oz. gold/t.

In addition, soil geochemistry and limited exploration drilling suggests an overall 10 km strike length of the mineralized zone, which is yet to be explored in detail.

The consultants recommended \$2,800,000 a two-phase development program leading to feasibility for 1988 including underground sampling, continued drilling and a small-scale pilot mill. (See GCNL NO.239, P.3, Dec 14,87 for a review of the Southland Mining Corp interest in the project and the current exploration program on the property.)

... gold per ton may, in fact, be as high as 0.081 ounces gold per ton across a width of 58 feet.

Previous drilling (1983/1984) indicates the zone is continuous over a length of 1.5km and to a vertical depth of 150 metres, and should contain mineralized grades comparative to the results of the 1986/87 drilling. There is a strong inferred geological potential for this area to yield in the neighbourhood of 20 million tons with an average grade between 0.05 and 0.08 ounces gold per ton.

In addition, soil geochemistry and limited exploration drilling suggests an overall 10km strike length of the mineralized zone, which is yet to be explored in detail.

The consultants conclude the project is at the major development stage, and have recommended a two phase development program leading to feasibility for 1988. Total costs are estimated at \$2.8 million and are to include a large scale underground sampling program and continued drilling. Concurrent with mining, a small scale pilot mill is required to process the ore with results being used for guidance of continued underground development.

Southlands Mining Corporation SSM  
 Shares issued: 2,002,200 Dec 11 close: \$0.64  
 News Release

Mr C. Philip Yeandle reports:  
 The exploration and development program on the Frasergold project near Williams Lake is well underway. *13A150*

The current work program is being carried out under the direction of the project operator, 1257 Geological Limited. *13A150*

The work will include about 2,000 metres of HQ core diamond drilling, contracted to Tonto Drilling Limited, with two rigs currently working on site. Also, some 500 feet of underground adit and drifting is already underway, contracted to R.F. Fry and Associates (Pacific) Limited. Additionally, pilot plant metallurgical test work will be carried out by Coastech Research Inc. The bulk samples to be processed by the mill will assist in determining the actual gold content and true recoverable grades of the deposit.

Southlands is proceeding with the development of the project following an agreement reached with a private company, Sirius Resource Corporation of Vancouver.

The Frasergold portends either a large tonnage low-grade gold deposit containing in the order of 20 million tons or more, with an expected average grade of 0.08 ounces gold per ton through combined open-pit mining of a low grade zone and integral high grade hanging wall zone; or alternatively, an underground mining operation with a minimum target tonnage of 2 million tons, in the range of 0.40 ounces gold per ton.

The current program, being carried out at an estimated cost of \$1.1 million, will take a significant step toward proving the existence of a substantial gold deposit.

**SOUTHLANDS MINING CORPORATION (SSM-V)**

MAJOR EXPLORATION IS UNDERWAY- C. Phillip Yeandle, ON FRASERGOLD PROJECT IN B.C. president of Southlands Mining Corporation, reports that the exploration and development program on the Frasergold project near Williams Lake, B.C., is well underway. As recommended by Dr.K.V. Campbell in a report to Eureka Resources Inc. dated December 1986, the \$1,100,000 program will include about 2,000 meters of HQ core diamond drilling. The contractor, Tonto Drilling Limited, has 2 rigs currently working on site. Also, some 500 feet of underground adit and drifting is already underway; contractor is R.F. Fry and Associates (Pacific) Limited. Pilot plant metallurgical test work with bulk samples will be conducted by Coastech Research Inc. to determine the actual gold content and recoverable grades of the deposit. *13A150*

Southlands is proceeding with development of the project following an agreement to farm out half the 50% interest it can earn in the project to Sirius Resource Corporation, a private B.C. company. As noted in GCNL 228(87)P.2, Southlands joint venture partner, Eureka Resources Inc. disputes the nature of Southland's interest in the property. *13A150*

Management consider that the Frasergold project could be developed into either a large tonnage, low grade gold deposit containing some 20,000,000 tons or more with an average grade of 0.08 ounce of gold per ton through combined open pit mining of a low grade zone and an integral high grade hanging wall zone; or alternatively, an underground mining operation with a minimum target tonnage of 2,000,000 tons in the range 0.40 oz. gold/t. (See GCNL No.228,P.2,Nov.27,1987 for some detail of the current property interest. If the property is brought to production it appears the interests will be, after payout, **EUREKA RESOURCES INC. (EUK-V) 50%**, Southlands Mining 25% and Sirius Resource Corporation, a private company, 25%.)



**EUREKA RESOURCES, INC. (EUK-V)**  
**SOUTHLANDS MINING CORPORATION (SSM-V)**

RESERVE CALCULATIONS REVIEWED- Eureka Resources, Inc.,

DEC 15/87 # 240 has reported evaluation of the 1987 reverse circulation drilling at the Frasergold project near Williams Lake, B.C. has confirmed the extension of the "Jay Zone". The consultants indicated the zone to be continuous over the 750 meter strike length, having an average grade of 0.071 ounces gold per ton over an average total width of 17.6 meters (58 feet).

Drilling has been completed at 25 meter intervals over a 250 meter strike length and at 50 meter intervals over the remaining 500 meters, to a vertical depth of 50 meters. Contained within the zone is an enriched horizon, at least 225 meters long, averaging 11.3 metres (37 feet) in width and grading 0.155 oz.gold/t.

The company's consultants have also reported that results of the analysis of some 1398 samples by special metallics assay techniques, suggest that conventional fire assays underestimated the content of gold in drill core and cutting samples, by a factor as much as 15%. The reported averaged gold content of 0.071 oz.gold/t may, be as high as 0.081 oz.gold/t.

Previous drilling (1983/84) indicates the zone is continuous over a length of 1.5 km and to a vertical depth of 150 meters, and should contain mineralized grades comparative to the results of 1986/87 drilling. The report concludes "there is a strong inferred geological potential for this area to yield in the neighborhood of 20 million tons with an average grade between 0.05 and 0.08 ounces gold per ton."

Eureka Resources Inc  
Shares issued: 4,736,529 Dec 14 close: \$0.62  
News Release  
Mr Jack O'Neill reports:

A detailed evaluation of the 1987 reverse circulation drilling at the company's Frasergold project near Williams Lake, BC has confirmed the extension of the Jay zone over a minimum total length of 750 metres. A \$2.8 million program has been recommended to further develop the property in 1988.

The company's consultants have reported that the evaluation of all 1986 and 1987 drill assay data within the Jay zone has indicated the zone to be continuous over the 750 metre strike length, having an average grade of 0.071 ounces gold per ton over an average total width of 58 feet.

Drilling has been completed at 25 metre intervals over a 250 metre strike length and at 50 metre intervals over the remaining 500 metres, to a vertical depth of 50 metres. The average grade is somewhat higher than the previously reported 0.067 ounces per ton gold, over an average width of 20 metres.

Contained within the zone is an enriched horizon, at least 225 metres long, averaging 37 feet in width and grading 0.155 ounces per ton gold.

The company's consultants have also reported that the average grade of conventional fire assays can be adjusted upward by a factor of as much as 15%. The reported average gold content of 0.071 ounces gold per ton may, in fact, be as high as 0.081 ounces gold per ton across a width of 58 feet.

Previous drilling (1983/1984) indicates the zone is continuous over a length of 1.5km and to a vertical depth of 150 metres, and should contain mineralized grades comparative to the results of the 1986/87 drilling. There is a strong inferred geological potential for this area to yield in the neighbourhood of 20 million tons with an average grade between 0.05 and 0.08 ounces gold per ton.

In addition, soil geochemistry and limited exploration drilling suggests an overall 10km strike length of the mineralized zone, which is yet to be explored in detail.

The consultants conclude the project is at the major development stage, and have recommended a two phase development program leading to feasibility for 1988. Total costs are estimated at \$2.8 million and are to include a large scale underground sampling program and continued drilling. Concurrent with mining, a small scale pilot mill is required to process the ore with results being used for guidance of continued underground development.

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**SOUTHLANDS MINING CORPORATION (SSM-V)**

MAJOR EXPLORATION IS UNDERWAY- C. Phillip Yeandle,  
ON FRASERGOLD PROJECT IN B.C. president of Southlands

Mining Corporation, reports that the exploration and development program on the Frasergold project near Williams Lake, B.C., is well underway. As recommended by Dr.K.V. Campbell in a report to Eureka Resources Inc. dated December 1986, the \$1,100,000 program will include about 2,000 meters of HQ core diamond drilling. The contractor, Tonto Drilling Limited, has 2 rigs currently working on site. Also, some 500 feet of underground adit and drifting is already underway; contractor is R.F. Fry and Associates (Pacific) Limited. Pilot plant metallurgical test work with bulk samples will be conducted by Coastech Research Inc. to determine the actual gold content and recoverable grades of the deposit.

Southlands is proceeding with development of the project following an agreement to farm out half the 50% interest it can earn in the project to Sirius Resource Corporation, a private B.C. company. As noted in GCNL 228(87)P.2, Southlands joint venture partner, Eureka Resources Inc. disputes the nature of Southland's interest in the property.

Management consider that the Frasergold project could be developed into either a large tonnage, low grade gold deposit containing some 20,000,000 tons or more with an average grade of 0.08 ounce of gold per ton through combined open pit mining of a low grade zone and an integral high grade hanging wall zone; or alternatively, an underground mining operation with a minimum target tonnage of 2,000,000 tons in the range 0.40 oz.gold/t.(See GCNL No.228,P.2,Nov.27,1987 for some detail of the current property interest. If the property is brought to production it appears the interests will be, after payout, EUREKA RESOURCES INC.(EUK-V) 50%, Southlands Mining 25% and Sirius Resource Corporation, a private company, 25%.)

**EUREKA RESOURCES, INC.**

**FRASERGOLD PROJECT  
SUMMARY - DRILL HOLE DATA  
(Holes R87-45 to R87-51 - 1987 PROGRAMME)**

DRILL HOLE	INTERVAL (metres)	WIDTH	AU.OZ/T
R87-45	12.0-21.0m	9.0m (29.5 ft.)	.063
	and 46.5-64.5m	18.0m (59.0 ft.)	.021
	and 76.5-81.0m	4.5m (14.8 ft.)	.027
R87-46	46.5-69.0m	22.5m (73.8 ft.)	.029
	Incl. 46.5-56.0m	7.5m (24.6 ft.)	.036
R87-47 R87-47A	Abandoned at 15 metres Abandoned at 27 metres		
R87-48	48.0-51.0m	3.0m (9.9 ft.)	.041
	and 64.5-78.0m	13.5m (44.3 ft.)	.048
	and 97.5-103.5m	6.0m (19.7 ft.)	.036
R87-49	22.5-46.5m	24.0m (78.7 ft.)	.063
	Incl. 34.5-40.5m	6.0m (19.7 ft.)	.157
	and 72.0-76.5m	4.5m (14.8 ft.)	.027
R87-50	33.0-55.5m	22.5m (73.8 ft.)	.165
	Incl. 33.0-36.0m	3.0m (9.9 ft.)	.233
	and Incl. 43.5-48.0m	4.5m (14.8 ft.)	.359
	(Incl. 46.5-48.0m and 67.5-103.5m	1.5m (5.0 ft.)	1.085
	Incl. 67.5-76.5m	36.0m (118.1 ft.)	.044
R87-51	75.0-90.0m	15.0m (49.2 ft.)	.053
	Incl. 81.0-82.5m	1.5m (5.0 ft.)	.438

934150 GCLH 9/15/87  
ISSUE # 177

Southlands Mining Corporation SSM  
Shares issued: 1,752,200 Jun 16 close: \$2.05  
934150 (134/7E) News Release  
Mr. Philip Yeandle reports:

Southlands announces that it has signed a commitment letter with First Exploration Fund of Vancouver, B.C. for a flow-through share financing in the amount of \$2 million for further exploration and development costs of next year's program on the 8,000 acre Frasersgold property near Williams Lake, B.C.

This financing means that Southlands will be fully financed to meet its future commitments under the joint venture with Eureka Resources, Inc. to develop the Frasersgold property to production feasibility stage.

The company also reports that the summer exploration and development program has now commenced on the property. The \$1 million program during the summer will include 18,000 feet of drilling, underground development work and test milling on site.

Sun Valley Gold Mines Ltd SVG  
Shares issued: 2,979,704 Jun 16 close: \$1.20  
SMF Approved

Effective date: June 17, 1987  
Offering date: Tba  
Expiry date: July 30, 1987

Offering: 700,000 units consisting of 1 share and 2 A warrants

Price: Market plus 10%  
Wt to buy 1 share: 2  
Wt exercisable at: Market plus 15%. Tba.  
Wt expire: 180 days after offering date. Tba.

Agents: Canarim  
Agents Wt: For 175,000 shares  
Wt exercisable at: Market plus 15%. Tba.  
Wt expire: 180 days after offering date. Tba.

## Eureka review funding alternatives

*N.M.*  
VANCOUVER - A number of funding alternatives are being reviewed by Eureka Resources to complete a previously scheduled work program on its Frasersgold property 60 miles east of Williams Lake, B.C.

Jack O'Neill, president, says the 1987 work program, which was to include underground development, bulk sampling and test milling on site, was not completed because of the "inability of a funding partner to provide necessary financing under an agreement negotiated early in 1987."

The partner, Southlands Mining, denies this assertion claiming "it was ready and able to fulfill its obligations under the option and joint venture agreement." Southlands President Philip Yeandle confirms that "litigation is likely to ensue" over the issue which The Northern Miner gathers could tie up the property for an indefinite period.

A 20-hole reverse circulation drill program was completed this season, however, which Mr O'Neil says extended the strike length of the Jay zone from 650 ft to 2,600 ft. An initial review of the holes indicates an average grade of 0.067 oz gold over a width of 65 ft, he points out.

An enriched area in the south-eastern extension of the Jay zone yielded 0.38 oz gold over an average width of 5.6 ft. He estimates the reserve potential at 20 million tons within the previously drilled-1-mile strike length.

Achieving consistent assay results has been a problem because of "the coarse, particulate nature of the gold at Frasersgold," he notes. But he says preliminary tests of 10 samples have indicated an increase in results by more than 50% over conventional fire assays. A company consultant says over-all results from the last series of seven holes this year were consistent with previously announced results of the first 13 holes drilled last year.

30 Sept 4/87

Eureka Resources Inc EUK

Shares issued: 4,284,501 Sep 3 close: \$1.10

93A CSE 150 News Release

Mr Jack O'Neill reports:

The company has received and compiled all assay data from the 20 hole, 1987 reverse circulation drill program on the Frasersgold project located 100km east of Williams Lake, B.C.

The program was successful in extending the strike length of the Jay zone from 200m to 800m, and an initial review of the 20 holes indicates an average grade of 0.067 ounces gold per ton over 20m. Within the extended portion of the Jay zone, a 300m strike length is indicated in six holes to contain 0.102 ounces gold per ton over 18m.

An enriched area in the southeast extension of the Jay zone yielded .382 ounces gold per ton over an average width of 1.7m. Although high grade mineralization was encountered in most holes, the spacing of the holes (50m) prevents definite interpretation at this time as to the continuity of these zones.

Because of the coarse nature of the gold, the company will be re-analyzing selected samples by special metallics assay methods designed to more accurately determine the gold content within the entire sample. Preliminary tests of ten samples have indicated an increase in results by more than 50% over conventional fire assays.

Hole R87-50 adds credibility to the theory of major structural complexities which has displaced continuity of the Jay zone 20-30m to the southwest.

Hole R87-50 returned intersections of 22.5m averaging 0.165 ounces gold per ton and a further 9m of 0.120 ounces of gold per ton. Within the sections were higher grade zones yielding assays up to 1.085 ounces gold per ton over 1.5m.

The company is continuing development on a sample milling program to ascertain recoveries of gold and silver at the Mindora gold-silver joint venture in Nevada.

HOLE	INTERVAL (m)	WIDTH (m)	Au Oz/t
R87-45	12.0 - 21.0	9.0	.063
and	46.5 - 64.5	18.0	.021
and	76.5 - 81.0	4.5	.027
R87-46	46.5 - 69.0	22.5	.029
incl	46.5 - 54.0	7.5	.056
R87-47	Abandoned at 15m		
R87-47A	Abandoned at 27m		
R87-48	48.0 - 51.0	3.0	.041
and	64.5 - 78.0	13.5	.048
and	97.5 - 103.5	6.0	.056
R87-49	22.5 - 46.5	24.0	.063
incl	34.5 - 40.5	6.0	.157
and	72.0 - 76.5	4.5	.027
R87-50	33.0 - 55.5	22.5	.165
incl	33.0 - 36.0	3.0	.253
incl	43.5 - 48.0	4.5	.559
(incl	46.5 - 48.0	1.5	1.085)
and	67.5 - 103.5	36.0	.044
incl	67.5 - 76.5	9.0	.120
R87-51	75.0 - 90.0	15.0	.053
incl	81.0 - 82.5	1.5	.438

SW, July 3, 87  
 Southlands Mining Corporation SSM  
 Shares issued: 1,752,200 Jul 2 close: \$1.65  
 934150 (7E) News Release  
 Eureka Resources Inc (EUK)

Mr. Philip Yeandle reports:

Southlands announces that drilling will begin immediately on the Frasergold project located 90 km east of Williams Lake.

Bids were tendered for the work and the contract was awarded to S.D.S. Drilling Ltd.

The 1987 work program on the project, a joint venture between Southlands and the operator, Eureka Resources, Inc. will consist of 5,000 meters of reverse circulation drilling, 1,000 meters of diamond drilling and the construction of an underground adit to mine the high grade ore. A 25 ton per day mill will be on site in mid August for bulk sampling.

The reverse circulation drilling is to prove a drill indicated 20 mm tons grading 0.06 oz gold per ton and a potential of higher grade reserves ranging 1.2 mm tons grading 0.40 of gold per ton.

If this further testing proves up the already indicated reserves, the gold reserves on this project will exceed US\$700 mm at current gold prices. One third of the potential gold bearing deposit has been tested to date.

SW Aug 27/87  
 Eureka Resources Inc EUK  
 Shares issued: 4,284,501 Aug 26 close: \$1.15  
 934150 (7E) News Release

Mr Jack O'Neill reports:

The company announces that the drilling program on the company's Frasergold property was terminated on August 15, 1987. A total of 20 holes (4 1/2" diam) were drilled by reverse circulation methods. Four holes (no. 24,33,35 & 36) infilled the 1986 drill proven Jay zone. Four holes (no. 34,42,43, & 44) tested the northwest extension of the Jay zone, and the remaining 12 holes (to R87-51) tested the southeast extension of the Jay zone.

Assay data to hole R87-44 is now complete.

Holes R87-37 to R87-41 are 100 metre step-out holes to the southeast of the Jay zone. Intersections of 15-20 metres wide grading 0.49-110 oz gold per ton substantiate a 400-500 metre extension of the Jay zone to the southwest. The average grade of these intersections (0.74 oz gold per ton) is substantially higher than the 0.06 oz gold per ton average grade of the Jay zone. Holes R87-45 to R87-51 were drilled to infill this southeastern extension to 50 metres intervals. Assay data from these holes is incomplete and will be announced upon receipt and compilation.

Hole No.	Interval (metres)	Width (metres)	Au (oz/ton)
R87-24	39.0-49.5	10.5	0.23 (.046)
	60.0-64.5	4.5	.046 (.067)
R87-33	24.0-46.5	22.5	.049
incl.	39.0-40.5	1.5	.249
R87-34	15.0-33.0	18.0	.041
incl.	15.0-19.5	4.5	.106
R87-35	22.4-28.5	6.0	.044
	40.5-48.0	7.5	.055
	63.0-66.0	3.0	.051
R87-36	28.5-31.5	3.0	.142
	49.5-63.0	13.5	.033
R87-37	7.5-22.5	15.0	.083
incl.	7.5-10.5	3.0	.355
and	34.5-39.0	4.5	.024
R87-38	27.0-43.5	16.5	.110
incl.	28.5-31.5	3.0	.472
and	63.0-72.0	9.0	.025
R87-39	6.0-9.0	3.0	.031
	39.0-48.0	9.0	.021
R87-40	12.0-31.5	19.5	.049
incl.	30.0-31.5	1.5	.365
and	49.5-54.0	4.5	.063
and	63.0-72.0	9.0	.031
R87-41	27.5-60.0	22.5	anomalous
	60.0-70.5	10.5	.029
R87-42	84.0-93.0	9.0	anomalous
R87-43	15.0-27.0	12.0	anomalous
	55.5-58.5	3.0	.026
R87-44	31.5-37.5	6.0	.022
	61.5-70.5	9.0	.040
	63.0-64.5	1.5	.204

Bracketed gold content based on total metallics assay

**EUREKA RESOURCES, INC. (EUK-V)** *GCW*  
**DRILLING QUADRUPLED STRIKE - Eureka Resources president**  
**LENGTH OF FRASERGOLD PROJECT** Jack O'Neill reports that  
 934150 ~~their~~ 1987, 20-hole  
 reverse circulation drill program on the Frasergold project 100 km east of Williams Lake, B.C.: extended the strike length of the Jay Zone from 200 meters to 800 meters; indicated an average grade of 0.067 oz.gold/t over a width of 20 meters (slightly higher than the 1986 program's 0.060 oz.gold/t), including a 300-meter strike length containing 0.102 oz.gold/t over a width of 18 meters. Also, says Mr.O'Neill, an enriched area in the SE extension of the Jay Zone yielded 0.382 oz.gold/t over an average width of 1.7 meters. He comments that, although high grade mineralization was encountered in most holes in 1987, the 50-meter spacing prevents definite interpretation yet as to the continuity of these zones. (See significant results TABLED OVERLEAF.) Mr.O'Neill adds, "We can now clearly identify the projected reserve target of 20,000,000 tons within the previously drill-tested 1.5 km strike length, which will probably grade higher than the earlier predicted 0.06 oz.gold/t. An additional 8 km long geochemical target remains virtually unexplored." *9/15/87 #177*  
 All data from the 1987 program is being reviewed by Eureka's consultants who are expected to complete a detailed report within 2 months.

Mr.O'Neill reports that some of the planned 1987 program, including underground testing, bulk sampling and test milling on site, was not completed, mainly because of the inability of a partner to provide necessary financing under an agreement negotiated early in 1987. Alternative funding programs for the 1988 season are being reviewed.

Elsewhere, Eureka is continuing development of a sample milling program to ascertain rates of recovery of gold and silver at the Mindora gold-silver joint venture in Nevada.

# \*Eureka joins Southlands

NM7313

93A150

Eureka Resources and Southlands Mining Corp. recently concluded a joint venture agreement to develop Eureka's Frasergold precious metals project near Williams Lake, B.C.

Under the agreement, Southlands can earn a 50% working interest in the project by providing \$3 million for development and a feasibility study over three years.

Vancouver-based Eureka has the option, after a feasibility study is complete, to participate in production on a 50-50 basis by contributing 50% of costs or to participate in 50% net profits after recovery of capital costs.

Eureka President Jack O'Neill said the 1987 development program is well organized and the initial camp and crew are to mobilize early in June.

Drilling will start on July 1 and the underground development adit is scheduled to start on July 20.

A unitized pilot mill is to be on-site and processing ore from the adit at a rate of 20-25 tons per day by mid-August. A total of 1,000 tons of ore is to be processed during 1987.

The \$1-million pilot mining and milling program is designed to establish total and recoverable values of gold from large bulk samples of ore, according to Mr O'Neill.

"This data, related to assay results of 1987 and previous drilling, will establish reliable estimates of gold content within the Frasergold deposit," he said.

Mr O'Neill added that previous drilling has identified 20 million tons of open-pit reserves grading 0.06 oz gold per ton, including 1.2 million tons of narrow width underground potential, grading 0.40 oz.

VSW JUNE 4, 87

Southlands Mining Corporation SSM  
 Shares issued: 1,752,200 Jun 3 close: \$1.80  
 93A150 Private Placement

Mr. Philip Yeandle reports:

Southlands announces that a formal subscription agreement has been signed with First Exploration Fund 1987 for the provision of \$1 million in flow-through share financing for this year's development program of the Frasergold precious metals project near Williams Lake, B.C.

The agreement provides for the issuance of 370,370 shares at the price of \$2.70 per share and is now subject only to regulatory approval.

This year's exploration and development program has commenced on the Frasergold project, additional exploration and development work will be well underway on the property within the next month. Progress reports will then be issued by Southlands and its joint venture partner, Eureka Resources, Inc. as the developments warrant it.

Southlands reported that the active development of the Frasergold project, with its potential for confirmation of a very large multi-million ton gold ore deposit, is expected to significantly enhance the company's performance over the coming months.

GCNL 116 ... JUN 11 1987



## SOUTHLANDS MINING CORPORATION (SSM-V)

FUNDS ARRANGED FOR CARIBOO PROPERTY ARE - C. Phillip \$1,000,000 IN 1987 & \$2,000,000 IN 1988 Yeandle,

93A150

93A/7E

president of Southlands Mining Corp., announces the signing of a commitment letter with First Exploration Fund for a flow-through share financing in the amount of \$2,000,000 for further exploration and development planned for 1988 on the 8,000-acre Frasergold property in the Cariboo district near Williams Lake, B.C. With this financing, Southlands will be fully financed to meet its future commitments under the joint venture with **EUREKA RESOURCES, INC. (EUK-V)** to develop the Frasergold property to production feasibility stage. (See GCNL 100(87), P1 for project detail).

Mr. Yeandle also reports that the \$1,000,000 exploration and development program for this summer has now started on the property. It will include 18,000 feet of drilling plus underground development work and test milling on site.

Southlands has granted employee incentive options to buy 50,000 shares at \$1.95 each, subject to regulatory approval.

GCNL 119 SOUTHLANDS MINING CORPORATION (SSM-V) July 87

## EUREKA RESOURCES, INC. (EUK-V)

DRILL PROGRAM STARTED - Drilling has begun on the Frasergold Project, a joint venture between Southlands Mining and Eureka Resources, 90 km east of Williams Lake, B.C. Bids were tendered for the work and the contract was awarded to S.D.S. Drilling Ltd.

The work program will consist of 5000 metres of reverse circulation drilling, 1000 metres of diamond drilling and the construction of an underground adit to mine the high grade ore. A 25 ton per day mill will be on site in mid-August for bulk sampling.

The reverse circulation drilling is designed to prove a drill indicated 20,000,000 tons grading .06 oz. gold per ton and potential of higher grade reserves ranging 1,200,000 tons grading .40 oz. gold per ton.

The reverse circulation drilling is designed to prove a drill indicated 20,000,000 tons grading .06 oz. gold per ton and potential of higher grade reserves ranging 1,200,000 tons grading .40 oz. gold per ton.

\*  
Apr '87  
VNR  
93/150

**EUREKA RESOURCES INC.  
ANNOUNCES JOINT VENTURE**

Eureka Resources reports that the company has an agreement in principle to a joint venture of the company's Frasergold precious metals project with Southlands Mining Corporation Vancouver.

Southlands can earn a 50% working interest by funding a minimum of \$3 million in development including a feasibility study within three years.

Frasergold is an extensive gold project located 100 km east of Williams Lake in central B.C. The property features an extensive gold bearing strata, indicated by geochemistry over a strike length of 12 km and identified in bedrock by drilling over a strike length of 4 km.

Intensive drilling in 1983, 1984 and 1986 identified the potential of large tonnage open-pit reserves of 20 million tons grading .06 ounces of gold per ton. Also, underground reserves potential of 1.2 million tons grading .40 ounces of gold per ton was identified. Approximately \$1.5 million has been spent on the project to date.

The 1987 program requires a minimum expenditure of \$1 million and will include a test adit providing sufficient samples for bulk testing of gold content, and sufficient reverse circulation and diamond drilling to establish reserves and explore the entire geochemical anomaly.

For further information contact: Eureka Resources Inc. (VSE:EUK) John Kerr, 837 East Cordova Street, Vancouver, B.C. V6A 3R2 (604) 253-0222

Apr 16 '87 SOUTHLANDS MINING CORPORATION (SSM-V) GENE 75  
FRASER GOLD FUNDING ARRANGED - Southlands Mining Corporation has signed a commitment letter with First Exploration Fund, 1987 for \$1,000,000 to buy 370,370 flow-thru shares at \$2.70 each. The company has also entered a private placement with Pacific International Securities Inc. for 250,000 shares at \$2.00 each with a option to purchase an additional 250,000 shares at \$2.50 each within one year subject to regulatory approval. The proceeds will be for exploration of the Frasergold property in central B.C. in accordance with the company's commitments under its joint venture with EUREKA RESOURCES INC.

Southlands intends to spend \$1 million during 1987. The company has reported indicated open pit reserves as a result of extensive drilling over a strike length of one and one half kilometers (out of a total strike length of 12 km) of 20,000,000 tons grading 0.06 oz./gold/t. Higher grade underground reserves have also been indicated in the range of 1,200,000 tons grading 0.4 oz./gold/t.

Apr 27 '87 NM 93A150

**\$1 million program set for Southlands**

VANCOUVER - Southlands Mining plans to spend at least \$1 million this year on Eureka Resources' Frasergold project, 62 miles east of Williams Lake, B.C.

The program will be partly financed by a flow-through share issue with First Exploration Fund 1987. Altogether, some 370,370 shares will be issued at a price of \$2.70 per share.

Southlands has also arranged a private placement through a Vancouver brokerage firm for 250,000 shares at \$2, with an option for a similar amount at \$2.50 each within a 1-year period.

The Frasergold property consists of 27 claims or about 8,000 acres. It was previously explored by Amoco Canada, which had difficulty establishing the grade and continuity of the mineralized zones.

Last year Eureka continued a program of trenching and bulk sampling which it says established gold grades that were much higher than previously announced. Reverse circulation drilling in the Jay zone also demonstrated that larger volume samples yielded higher grades than NQ drill core, the size used by Amoco.

Southlands, the new operator, says the continuity of high grade surface and underground mineralization in closely spaced holes has been "clearly demonstrated." The company notes that grades up to 0.5 oz gold per ton over 2-3 m mining widths can now be expected, compared to previous averages of 0.2 to 0.3 oz. Wider zones up to 30 m suggest open pit potential in the range of 0.06 to 0.1 oz gold.

The company says 20 million tons of open pit reserves are indicated thus far grading 0.06 oz, 1.2 million tons of higher grade underground reserves averaging 0.4 oz.

6000#100 SOUTHLANDS MINING CORPORATION (SSM-V) May 1987  
FRASERGOLD 1987 PROGRAM - C. Philip Yeandle,  
STARTED EXPLORATION president of Southlands  
93A150 Mining Corp., has reported  
signing an option and joint-venture agreement May 19,  
1987 with EUREKA RESOURCES INC. (EUK-V) for the further  
development of the Frasergold precious metals project  
near Williams Lake, B.C.

Southlands has agreed to sell by private placement 250,000 shares at \$2.00 each to three Swiss banking institutions, arranged through Pacific International Securities Inc.

Southlands has been approved for 126 Exemption #82-1661 in the U.S. by the Securities and Exchange Commission and is now in the "pink sheets".

Southlands can earn a 50% working interest in the project by funding a \$3,000,000 program including a feasibility study within three years. Drilling will commence on the first of July, and the underground development adit is scheduled to start July 20. A unitized pilot mill is to be on site and processing ore from the adit at a rate of 20-25 tons per day by mid-August, allowing for up to 1000 tons of ore to be processed. Expenditures of \$1,000,000 are budgeted for 1987. Previous drilling has identified 20,000,000 tons of open pit reserves grading 0.06 oz/ton gold as well as 1,200,000 tons of underground potential, grading 0.40 oz/ton gold.

# Tonnage, grade increase seen for Eureka project <sup>93A150</sup>

Eureka Resources reports an independent evaluation of 1986 exploration results on the company's Frasergold precious metals project in central B.C. has confirmed upgrading of results and tonnage and grade expectations.

Dr K. V. Campbell, and D. A. Leishman, geological consultants, say in a report to Eureka that larger volume samples resulting from reverse circulation and HQ-size core yielded much higher grades than reported from former NQ-size core.

They state that grades up to 0.5 oz gold per ton over 2-3 m mining widths can be expected, where previous drilling indicated grades in the order of 0.2 to 0.3 oz.

Alternatively, wider zones of 30-m widths with grades in the range of 0.06 oz to 0.10 oz may be outlined for open pit potential, the geological report says.

Available data from one zone indicates an underground operation mineral reserve potential of

1.2 million tons with a grade of 0.4 oz.

The underground potential is predicated on a 2-m mining width to a depth of 140 m along the full 1.5 km length of the drilled area.

Open pit potential is suggested to be in the range of 20 million tons with a grade of 0.06 oz gold per ton. Calculations are based on a mining width of 30 m to a depth of 140 m.

## Exploration money for Falconbridge

Falconbridge Ltd. says it will raise \$13.2 million in flow-through funds to finance Canadian exploration expenditures on the company's properties this year.

Falconbridge says it has an agreement with NIM and Company Limited Partnership - 1987, under which Falconbridge will issue common shares to NIM in return for the \$13.2 million. The agreement is still subject to regulatory approval.

N MINER FEB 9/87

### APR 15 87 SOUTHLANDS MINING CORPORATION (SSM-V) GOLD 74

FUNDING ARRANGED FOR - C. Phillip Yeandle, president,

FRASERGOLD PROJECT reports that Southlands Mining

<sup>93A150</sup> Corporation has signed a commitment letter whereby First Exploration Fund, 1987 would provide \$1,000,000 to buy 370,370 flow-through shares of Southlands at \$2.70 each. Additionally, Southlands has arranged for a private placement with Pacific International Securities Inc. of 250,000 shares at \$2 each with a 1-year option to buy 250,000 shares at \$2.50 each. These placements are subject to regulatory approval.

The proceeds will be used mainly in further development of the Frasergold property in the Cariboo district of B.C. in joint venture with Eureka Resources Inc. Mr. Yeandle says Southlands intends to spend \$1,000,000 in 1987 on further exploration and development of the Frasergold property which has indicated open pit reserves as a result of extensive drilling over a strike length of 1.5 km (out of a total strike length 12 km) of 20,000,000 tons grading 0.06 ounce gold per ton. Higher grade underground reserves have been indicated in the range of 1,200,000 tons grading 0.4 oz.gold/t.

NO# 256010

EUREKA RESOURCES, INC. FEB 5 1987

PROGRAM	WIDTH	OZ. GOLD/T'	GOLD RESERVE
1983/84	2.2 m	0.205	POTENTIAL UPGRADED
	23.0	0.035	J.J. O'Neill, president of
	32.0	0.023	Eureka Resources, Inc.,
1986	1.7	0.441	reports that an independent
	22.0	0.060	evaluation of results of
	32.0	0.040	last year's exploration on
-----			
their Frasergold precious metals project near Horsefly in the Cariboo district of central B.C. has confirmed significant upgrading of tonnage and grade expectations.			

Geological consultants Dr.K.V.Campbell and D.A. Leishman have reported that larger volume samples resulting from reverse circulation and HQ-size core yielded much larger grades than the NQ-size core used previously. "Grades up to 0.5 oz.gold/t over 2-3 meter mining widths can now be expected where previous drilling indicated grades in the order of 0.2 to 0.3 ounce gold per ton," they stated, adding, "Alternatively, wider zones of 30-meter widths with grades in the range of 0.06 to 0.100 oz.gold/t may be outlined for open pit potential," The comparative results include those shown in the table.

The consultants suggest available data from one zone indicate a potential mineral reserve for an underground operation of 1,200,000 tons grading 0.4 oz.gold/t predicated on a 2-meter mining width to a depth of 140 meters along the full 1.5 km length of the drilled area. Open pit potential is suggested to be in the range of 20,000,000 tons grading 0.06 oz.gold/t. Calculations are based on a mining width of 30 meters to a depth of 140 meters. These reserve estimations are based only on data within a 1.5 km section of the extensive property.

"Eureka has now clearly demonstrated the existence of bedrock mineralization of potentially economic widths over a strike length of 4 km," the consultants state while pointing out that the gold enriched horizon is believed to extend along a total strike length of 10 km within the Frasergold property.

The consultants recommend a \$1,100,000 program for the 1987 field season that includes HQ core and reverse drilling, trenching, limited underground program and a small mill facility to process bulk samples. Mr.O'Neill says various methods of funding the 1987 work program are being reviewed.

EUREKA RESOURCES, INC.  
SUMMARY DRILL HOLE RESULTS  
FRASERGOLD PROJECT - 1986 DRILL PROGRAMME

No 228  
Nov 27/86

ZONE	DRILL HOLE	INTERVAL	WIDTH (metres)	ASSAY oz/T Au
JAY	86-2A	105.0-144.0	39.0	.057
	inc.	105.0-117.0	12.0	.181
	inc.	109.5-112.5	3.0*	.526
	86-15	21.8-25.5	3.7*	.039
	inc.	34.5-39.0	4.5	.028
	inc.	48.0-57.0	9.0	anomalous
	86-16	28.5-42.0	13.5	anomalous
	86-17	76.5-106.3	29.8	anomalous
	86-18	28.5-66.0	37.5	.072
	inc.	28.5-51.0	22.5	.107
inc.	30.0-31.5	1.5*	1.311	
GROUSE	86-19	38.9-60.0	21.1	.028
	inc.	38.9-47.9	9.0	.035
	inc.	38.9-39.5	0.6*	.073
	86-20	68.1-68.7	0.6*	.095
	86-23	28.0-64.5	36.5	.047
	inc.	28.0-48.6	20.6	.072
	inc.	47.6-48.6	1.0*	1.02
	86-24	41.6-60.0	18.4	.068
	inc.	41.6-43.7	2.1*	.223
	86-25	Hole terminated before mineralized zone		
JAY	86-26	60.0-63.5	3.5	.061
	inc.	91.5-102.2 (end of hole)	10.7	.026
	inc.	99.0-101.5	1.5*	.083
	86-27	22.5-30.0	7.5	.040
JAY	inc.	46.0-57.0	11.0	.068
	inc.	46.0-47.0	1.0*	.302
Surface - channel samples			33.0	.061
and bulk sample			11.0	.13
			1.5*	.998
			2.0*	.481 (.347 oz/T Au recovered in mill test)
*hanging wall portion of Jay Zone.				
GROUSE	86-21	30.1-31.5	1.4	.080
	inc.	30.1-51.0	20.9	.019
GROUSE	86-22	45.0-55.5	10.5	anomalous
	86-28	49.5-51.0	1.5	.057
N.W. EXTENSION	inc.	108.0-109.1	1.1	.071
	inc.	123.0-127.5	4.5	.023
	86-29	115.5-121.5	6.0	.019
N.W. EXTENSION	inc.	140.1-153.0	12.9	anomalous
	86-30	29.3-31.5	2.2	.065
N.W. EXTENSION	inc.	52.5-70.5	27.0	.021
	inc.	55.5-61.5	6.0	.065
N.W. EXTENSION	86-31	no significant mineralization		
	86-32	129.0-153.0	24.0	.028
N.W. EXTENSION	inc.	140.0-153.0	7.0	.054
	inc.	193.5-201.0	7.5	.062
N.W. EXTENSION	inc.	195.0-196.5	1.5	.223

No 228  
EUREKA RESOURCES, INC. (EUK-V) Nov 27/86  
ASSAY RESULTS FROM 1986 DRILLING - Eureka Resources,  
UNDERGROUND PROGRAM PLANNED FOR 1987 Inc. is planning  
a 1987 program of  
underground testing and pilot bulk sampling of its  
Frasergold precious metals project in central B.C.

Eureka president J.J. O'Neill said the 1986 development program utilizing larger diameter drill equipment upgraded gold content by up to 2 1/2 times the original results. (SEE TABLE OF ASSAYS OVERLEAF PAGE 1).

The underground work is expected to indicate 2,000,000 to 4,000,000 tons grading 0.20 to 0.30 oz.gold/ton over a three to four metre width. Open pit reserve expectations have been revised to a potential of 15 to 20 million tons grading 0.07 to 0.08 oz.gold/ton over 25 to 30 meter widths. The completed primary 3 bulk mill tests utilizing a cyanide leach process resulted in recovery of more than 90% of gold content in 24 hours.

An additional seven to eight kilometres of projected strike length at Frasersgold remains to be tested.

### Underground work for Eureka Res.

VANCOUVER - Underground test work including bulk sampling is planned by Eureka Resources for its Frasersgold precious metals property in 1987. The company claims that a large diameter drill program this year upgraded the gold content in existing reserves by 2.5 times, adding they now range from 2 million-4 million tons grading 0.2 to 0.3 oz gold.

A preliminary bulk sample "approximated the sample assays," says the company, and cyanide leaching demonstrated a 90% gold recovery in 24 hours.

A 50 (??)



GCNL #40 26 FEB 1986

**EUREKA RESOURCES, INC. (EUK-V) 93A/7E (093A 150)**

**MILL TEST SHOWS HIGHER GOLD - J.J. O'Neill, president of Eureka Resources, Inc., says a bulk sample from its Frasergold CONTENT THAN NORMAL ASSAYS precious metals project, 60 miles east of Williams Lake in the Cariboo district of B.C., has yielded higher gold content in a mill test than results from normal assaying procedures conducted under controlled conditions. A bulk sample of about 1,200 pounds yielded 0.137 ounce of gold per ton when concentrated and leached compared to an average yield of 0.077 ounce gold per ton indicated by normal assaying procedures.**

Mr. O'Neill says the sample was collected from outcrop, was crushed to one-quarter inch, coned and quartered and subsequently riffled to provide 16 one kilogram samples for assay. Each sample was assayed three or four times at three laboratories and a total of 56 assays were completed. The remaining sample material was subjected to a pilot plant mill and gravity concentration process, conducted by Coastech Research Inc. of Vancouver who reported that the concentrate confirmed the presence of coarse particles of gold that were not ground during the mining process. The concentrates were leached in a cyanide solution and assays of the milled tailings, solution and solution residue indicated a total content of 0.137 oz.gold/t in the bulk sample. Mr. O'Neill says the results are very important to the significance of grade estimate calculations at Frasergold, as reported from results of normal assays of diamond drill core. The assay procedures used may therefore have underestimated the actual gold content by a factor as high as 1.7, especially in zones where coarse particulate gold was noted in drill core. Further bulk sample testwork is required. Two additional ore samples have been collected and are now being tested. The samples represent low-grade ore, previous assays of which indicated grades from 0.02 to 0.07 ounce per ton gold.

Mr. O'Neill says management are contemplating a \$100,000 program of further bulk sample collection and mill testing to start the 1986 field activity collecting from surface exposures and at depth by larger diameter, reverse circulation drilling methods.

MINER  
17 MARCH 1986

**Eureka Resources**

VANCOUVER - A bulk sample from Eureka Resources' Frasergold property 70 miles west of Williams Lake, B.C., has yielded higher gold values in a mill test than was achieved by conventional assaying techniques, the company says.

According to President J. J. O'Neill the 1,200-lb bulk sample yielded 0.137 oz gold per ton when concentrated and leached, compared to 0.077 oz by conventional assay techniques.

The company's \$100,000 1986 field program will involve further bulk sampling and mill testing of samples taken from surface exposures and from a reverse circulation drilling program. Should results from the program indicate an appreciable upgrading of gold content, he says, "the viability of known reserves at existing metal prices would be greatly enhanced."

**EUREKA RESOURCES INC. (EUK-V) GCNL165  
AUG 27 1986**

HOLE #2 vs 2A		1 7/8 INCH		4 1/2 INCH	
INTERSECTION METERS	WIDTH METERS	DRILL CORE OZ. GOLD/TON	WIDTH METERS	DRILL CUTTINGS OZ. GOLD/TON	
61.5- 66.0	4.5	0.092	4.5	0.023	
108.0-117.0	9.0	0.085	9.0	0.181	
- incl	3.0	0.175	3.0	0.526	
127.5-147.0	19.5	0.017	19.5	0.029	
-incl	1.5	0.051	3.0	0.100	
<u>Average of</u>					
108.0-147.0	39.0	0.026	39.0	0.057	
<u>Surface Cut</u>					
	11.0	0.132			
	1.5	0.998			

HOLE #9 vs 9B		1 7/8 INCH		4 1/2 INCH	
INTERSECTION METERS	WIDTH METERS	DRILL CORE OZ. GOLD/TON	WIDTH METERS	DRILL CUTTINGS OZ. GOLD/TON	
*70.5- 75.0	4.5	0.027			
*67.5- 73.5			6.0	0.036	

\* Same intersection, holes at different angles.

**LARGE DIAMETER DRILLING - Eureka Resources Inc. has IMPROVES ASSAY RESULTS reported reverse circulation drill testing at the "Frasergold" gold project near Horsefly, B.C. has significantly improved results previously obtained by diamond drilling. Assays from three four zones returned gold values nearly double those obtained from the prior 1 7/8 inch diamond drill core. A 1500 meter HQ, 2.5-inch core drill program is proposed. Eureka president, J.J.O'Neill said recovery of the coarse gold was much improved, adding "It is difficult to assess what significance the coarse gold will have on the overall grade."**

Three areas with coarse, visible gold were discovered in outcrop during the surface program including a zone over hole 2A where surface results were similar to drill assays. The company plans to drill test the zone at 25 meter intervals for open pit potential over widths of 10-35 meters with a suggested grade in the range of 0.06 to 0.18 ounce gold per ton.

The company is also investigating the possibility of a separate underground high grade operation over widths of 1.5 to 3.0 meters and grades in the range of 0.5 to 1.0 ounce gold per ton.

Proceeds of a recent \$225,000 private placement are being used to explore the property.

MEMOR 11 JULY 1985

# Eureka starts program on Fraser gold project

Eureka Resources, says it has started a 1985 exploration program on its Frasersgold precious metals project near Williams Lake, B.C.

With a 5,000-m drill program set to start later this summer or in the early fall, the company is now embarked on initial work involving fill-in soil sampling, geological mapping and surface trenching, according to President Jack O'Neill. Cost of the total program this year is estimated at \$692,000.

The claim group had been under option to Amoco Canada but in April this year Eureka reacquired total equity interest in the project, on which more than \$1.1 million has been spent to date, including Amoco's costs in 1984 and 1983 of about \$940,000.

Mr. O'Neill said structural interpretation of various quartz vein zones on the property has indicated the presence of three major gold-bearing quartz structures over the 1.6-km strike length drilled to date.

Eureka's calculations indicate an expectation of 15,000,000 tons, at a grade of 0.045 oz. gold per ton, based on a cutoff grade of 0.015 oz. per ton, with a higher-grading core within this of about 2,000,000 tons at 0.15 oz. gold per ton, at a cutoff grade of 0.09 oz., he said.

This year, the company plans to concentrate its exploration work along a northwest extension of the zone.

Several major mining companies have expressed interest in joint ven-

turing continued development and exploration of the Frasersgold deposit, the Eureka president said.

In other ventures, the company adds it has negotiated an option agreement to acquire a 100% interest in 120 acres in Yavapai Cty., Arizona, where chip and grab samples from some of the surface pits have indicated up to 0.1 oz. gold per ton, 0.5 oz. silver, 1.9% copper, 0.8% lead and 0.3% zinc per ton.

A preliminary exploration program currently under way consists of detailed soil and rock geochemistry, geological mapping, test geophysical surveys, and claims location.

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INT. PROC. EUK  
DEV. MAG  
NOV/DEC 1985

Due to closure of the mining division of Amoco Canada Petroleum Co. Ltd., the joint venture agreement was terminated with Eureka resuming a 100% interest in the project, though proposals for another joint venture are under review. Exploration at Frasersgold this year has included detailed soil sampling, geophysical surveys and excavation trenching to establish a 9-10 km/strike length of the mineralized zone. Surface sampling has also been done at Dev. claims and drilling will be considered for late 1985 or 1986. An option-to-purchase agreement was negotiated for Crystal Hill Project in Arizona which has potential for open-pit, large tonnage precious/base metal reserves. As well, an option to earn 100% interest in 1-5 properties in the Quesnel area has been negotiated.

93A/1E  
(013A 150)

173A/7W  
(013A 117, 149)

GCN L #135

15 JULY 1985

## EUREKA RESOURCES, INC. (EUK-V)

TWO PROGRAMS DETAILED - Eureka Resources, Inc. has its 1985 exploration program underway near Horsefly, 60 miles east of Williams Lake, B.C. The initial phase of a recommended \$692,000 program includes fill-in soil sampling, geological mapping and surface trenching. A further 5,000 metre diamond drilling program is scheduled to commence in late summer or early fall.

A comprehensive review of all data supplied by Amoco Canada has resulted in a detail structural interpretation of the various quartz vein zones located during the past three years. The interpretation has indicated the presence of three major gold bearing quartz structures over a 1.6 km strike length drilled to date. A full 9 km strike length is considered to have strong gold indications.

Based on various cut-off levels of gold, to depths of 150-180 metres Eureka has calculated: 1st - with a cut-off .015 oz/T gold, 15,000,000 tons of .045 oz/T gold with an average cumulative width 25-30 meters per section, suitable for open pit mining at a stripping ratio of 3:1 to 100 metre depth and 4.5:1 to 150 metre depth. 2nd cut-off .05 oz/T gold, 4,000,000 tons of 0.10 oz/T gold with an average width - 3.7 metres. 3rd cut-off .09 oz/T gold 2,000,000 tons of 0.15 oz/T gold with an average width - 3.5 metres.

The current program was recommended by B.H. Kahlert, P.ENG., formerly western Canada regional geologist for Amoco Canada. Eureka is re-acquiring total equity interest in the project by an April 1985 contract with Amoco. Several major mining companies have expressed interest in a joint venture on the Frasersgold deposit.

Eureka has also negotiated an option to acquire 100% interest in six claims (120 acres) in Yavapai County, Arizona, approximately 70 miles northwest of Phoenix. Surface pits, outcrop and float indicate a breccia pipe zone where chip and grab samples indicate up to 0.1 oz/T gold, 0.5 oz/T silver, 1.9% copper, 0.8% lead and 0.3% zinc. A preliminary programme of soil and rock geochemistry, geological mapping, test geophysical surveys will be completed in a few weeks. A follow up program is planned.

EUREKA RESOURCES INC. (EUK-V)

FULL EQUITY INTEREST RE-ACQUIRED --- FRASERGOLD PROJECT - Eureka Resources, Inc. has negotiated an agreement with Amoco Canada to assume total equity interest in the Frasergold precious metals project near Horsefly, 60 miles east of Williams Lake, B.C. Amoco will retain a net profits interest in the property ranging from 1.0-7.5%, depending on the size of an eventual mining operation. Amoco had spent in excess of \$940,000 during the 1983 and 1984 exploration seasons.

Eureka is planning a development program for 1985 using a portion of its current working capital of \$1,300,000. J.J. O'Neill, president of Eureka reports drilling has tested significant gold mineralization over a strike length of 1.6 km and to a depth of 150 meters. Assays from 14 holes on the "A" main anomaly indicate an average grade of 0.1 ounce gold per ton (ranging 0.064 to 0.316 oz. gold/t over an average width of 3.5 meters. At least four parallel to subparallel zones have been identified from drilling with widths and grades approximately that of the "A" zone. Total tonnage expectations total about 4,000,000 to 5,000,000 tons grading 0.1 ounce gold per ton, of which about 2,000,000 are interpreted within the "A" zone. Gold occurs as coarse particles and is generally associated with quartz veins and lenses in fine-grained phyllite of sedimentary origin. Trenching and chip sampling indicate a bedrock source of gold over a strike length of 2.9 km. Soil sampling has defined the geochemical target over a strike length of 5 km. Detailed soil sampling was completed over what is referred to as the "Road" anomaly located 2.5-3 km NW and along the projected strike of the main anomaly. Erratic values ranging 100-515 ppb gold exist in an area of deep overburden and valley fill. If this gold reflects a bedrock source (versus glacial or placer source) an additional 3-4 km strike length of the "Main" zone could be interpreted. Geochemical values ranging 2-35 ppm silver have provided interpretation of four zones, with associated copper and zinc, over strike lengths in excess of 500 meters in the western portion of the claims.

FOR THE RECORD

OSCAR RESOURCES LTD. (OSR-V) will be approaching its creditors with a view to converting liabilities of approximately \$40,000 into shares at 15¢ each.

+ NO.69 (APRIL 10, 1985) + GEORGE CROSS NEWS LETTER LTD. + THIRTY-EIGHTH YEAR OF PUBLICATION +

GENL #69 10 APRIL 1985

EUREKA RESOURCES INC. (EUK-V) 93A/7E (013A 150)

FULL EQUITY INTEREST RE-ACQUIRED IN FRASERGOLD PROJECT - Eureka Resources, Inc. has negotiated an agreement with Amoco Canada to assume total equity interest in the Frasergold precious metals project near Horsefly, 60 miles east of Williams Lake, B.C. Amoco will retain a net profits interest in the property ranging from 1.0-7.5%, depending on the size of an eventual mining operation. Amoco had spent in excess of \$940,000 during the 1983 and 1984 exploration seasons.

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MINER 18 APRIL 1985

### Eureka gets control of Frasergold play

93A/7E (013A 150)

Eureka Resources has acquired a total equity interest in the Frasergold project near Horsefly, 60 miles east of Williams Lake, B.C.

Amoco Canada will retain a 1%-7.5% net profit interest depending on the size of the mining operation should the property be developed. Amoco had spent nearly \$1 million during the 1983-84 exploration seasons.

With working capital of \$1.3 million, Eureka is well financed to carry on exploration. The company is reviewing former exploration data in preparation for this year's program.

Drilling so far has indicated a strike length of 1.6 km to a depth of 150 m. A total 14 holes have been cored showing an average grade of 0.10 oz. gold per ton over an average width of 3.5 m.

N MINER 15 NOV 1984

## Amoco drill results are favorable on Eureka's Horsefly gold property

93A/12E/W  
103A 131  
VANCOUVER — Amoco Canada Petroleum has obtained some more encouraging results from the Frasergold property near Horsefly, B.C., which it holds under option from Eureka Resources.

According to Eureka President Jack O'Neill, all nine diamond drill holes recently completed contained gold intersections of economic significance. Assays ranged from 0.378 oz. over 4.9 ft. (1.5 m) to 0.063 oz. over 14.8 ft. (4.5 m). Some of the better drill holes included: 4.9 ft. of 0.342 oz. gold in hole 84-9; 0.258 oz. over 4.9 ft. in hole 84-13; 0.144 oz. across 14.8 ft. in hole 84-11; 0.133 oz. over 14.9 ft. in hole 84-12, and 0.123 oz. across 14.8 ft. in 84-7. These are partial results with the remainder to follow when available.

Almost 9,500 ft. of drilling was completed, compared to the original 5,000-ft. minimum announced

previously. Five of the holes were drilled in the area of the 1983 drilling and four of them extended the zone a further 2,300 ft. to the southeast. The geochem target being tested has an over-all strike length of 2.5 miles.

Amoco is sending composite samples of key intersections to Lakefield Research in Toronto for cyanide leach tests. The reason for this is to confirm minimum reported gold values along with providing some preliminary metallurgical data.

Amoco has the option to earn a 50% interest in the property by spending \$900,000 by Dec. 31, 1985, and making cash payments totalling \$500,000 by the same date in 1987. Eureka has the option to be reduced to a 15% net profits interest. Expenditures this year should exceed the \$400,000 spent in 1983, says Eureka.

N MINER  
7 MARCH 1985

## Cariboo-Quesnel active

93A/12E/W  
103A 131  
Activity is expected to pick up this year in B.C.'s Cariboo-Quesnel gold belt where Dome Exploration has been actively exploring its QR property for a number of years now.

Following Dome's initial success, a number of junior companies acquired ground in the region but none has been able to duplicate the results obtained by Dome which are reported to indicate a medium-sized, moderate grade, near-surface gold deposit in a fairly complex geological environment. Dome has not indicated what plans it has for the property this year.

93A/12E/W  
103A 131  
Mt. Calvary Resources, which is associated with Teck Corp., is planning follow-up drilling on its Cariboo-Likely and CPW gold properties in 1985. The company has the property under option from Carolin Mines and can earn a 50% interest by spending \$700,000 before Dec. 31, 1985. More than half that has been spent already.

Last year's program identified gold mineralization in the Madre zone with assays reported up to 0.15 oz. gold over 36 ft. and 0.1 oz. over 50 ft. in sedimentary rocks. Reverse circulation drilling is also planned for the Gold Creek zone plus trenching and possibly drilling if necessary for several other targets.

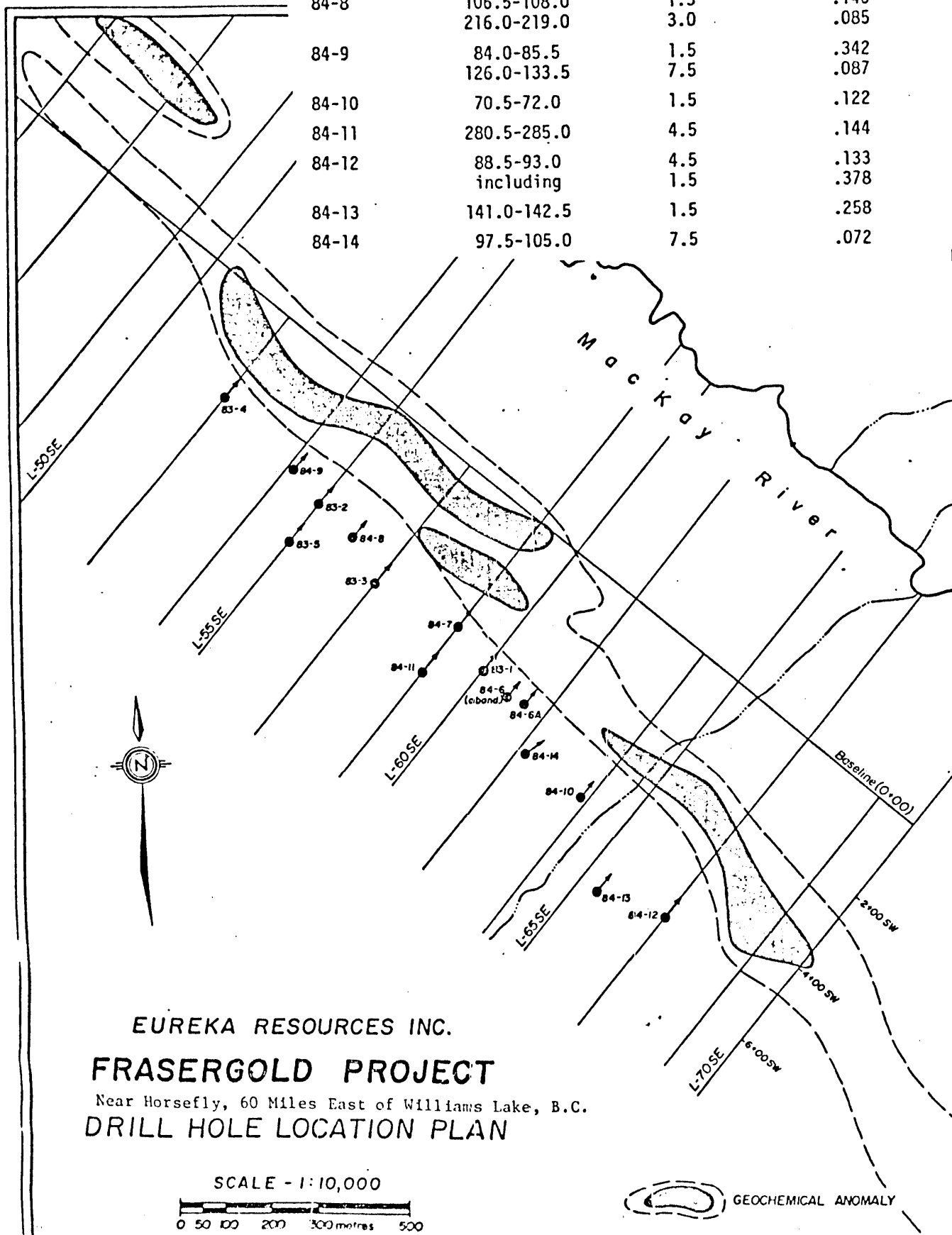
Apex Energy has been trying to locate the hardrock source of placer gold in that mining district and several anomalous zones have been located on its ground 10 miles east of Dome. An Apex consultant has recommended further exploration in 1985 and the work could include soil sampling, trenching and some percussion drilling. 93A/12E/W 103A 131

Much further south in the Quesnel trough, Amoco Canada Petroleum has been drilling Eureka Resources' Frasergold property with mixed results but some fairly high grade values have been reported over generally narrow widths. Amoco has been sending composite samples to Lakefield Research for cyanide leach tests because results from samples containing visible gold have often been inconsistent. 93A/12E/W 103A 131

Last spring, Eureka concluded an option agreement with Noranda Exploration for the Dor gold prospect some 12 miles west of Frasergold where a large sulphide zone has been outlined. Noranda has until Mar. 1, 1987, to spend \$500,000 on exploration and pay \$220,000 in cash to Eureka for a 50% interest.

Amoco can earn a 50% interest in the Frasergold by spending \$900,000 by the end of 1985.

	Hole #	Intersection Depth-Meters	Intersection Width-Meters	Ounces Gold/Ton
1983 Program	83-1	103.5-108	4.5	.180
		including	1.5	.477
	83-2	61.5-66 111.0-115.5	4.5 4.5	.092 .128
1984 Program	84-6	54.0-55.5	1.5	.155
	84-7	66.0-70.5	4.5	.123
		168.0-172.5	4.5	.063
	84-8	106.5-108.0	1.5	.140
		216.0-219.0	3.0	.085
	84-9	84.0-85.5	1.5	.342
		126.0-133.5	7.5	.087
	84-10	70.5-72.0	1.5	.122
	84-11	280.5-285.0	4.5	.144
	84-12	88.5-93.0	4.5	.133
		including	1.5	.378
84-13	141.0-142.5	1.5	.258	
84-14	97.5-105.0	7.5	.072	

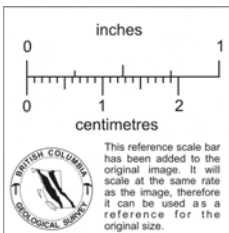
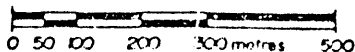


EUREKA RESOURCES INC.

## FRASERGOLD PROJECT

Near Horsefly, 60 Miles East of Williams Lake, B.C.  
**DRILL HOLE LOCATION PLAN**

SCALE - 1:10,000



GENL #166 25 AUG 1984

EUREKA RESOURCES, INC. (EUK-V) 92A/7C 15

FRASER GOLD PRICE - Eureka Resources, Inc. director, Jack O'Neill has reported the 1984 diamond drill program PROGRAM TO START 1SEP84 "Frasergold" precious metals discovery near Horsefly, B.C., is scheduled to commence September 1. Amoco Canada, the joint venture partner and operator, has advised that five holes will further test the 1983 discovery area and five holes will test an additional one kilometer of strike length to the southeast of the known mineralized zone.

The program will include 2,000 meters of drilling and is expected to be concluded by the end of October 1984. A drilling program on the property in 1983 yielded assays up to 0.477 ounce gold per ton over 1.5 meters and an average of 0.18 ounce gold per ton over 4.5 meters.

Under terms of the joint venture agreement, Amoco can earn up to a 50% interest in the property by spending up to \$900,000 by 31Dec85 and making cash payments to Eureka totalling \$500,000 to 31Dec87.

Eureka also announced that Noranda Exploration Company Limited have dropped their option to acquire an interest in the "Dor" gold prospect in the Williams Lake area of B.C.

Eureka is reviewing results of a program conducted by Noranda with a view of delineating additional drill targets. The recently completed program included two drill holes that appeared not to be located so as to intersect two zones indicated by trenching.

The company said one zone has been traced for 200 meters with gold content ranging from 0.062 to 0.150 ounce per ton. A second zone 50 meters to the north yielded assays ranging to 0.370 ounce gold per ton.

GENL #179 17 SEPT 84

EUREKA RESOURCES, INC. (EUK-V) 92A/7C 15

GOLD IS VISIBLE IN FIRST - Eureka Resources, Inc. management report visible gold has been identified in the first two HOLES PRESENT DRILLING diamond drilling holes logged to date on the company's frasergold precious metals discovery near Horsefly, 60 miles east of Williams Lake, B.C. Core from the first two holes has been geologically logged in detail and samples have been shipped for assay. visible gold has been identified in for intervals in hole 84-6 and in seven intervals in hole 84-7. Hole 84-8 is being logged and 84-9 is drilling. Assay results will be released on receipt from Amoco Canada, the joint venture partner and operator of the property.

The first four holes of the current drill program were located to fill in and extend an indicated gold-bearing zone discovered last fall. A drill program at that time yielded assays up to 0.477 ounce gold per ton over 1.5 meters and an average of 0.18 ounces gold per ton over 4.5 meters.

The first target in the current season was located 100 meters east of the initial discovery hole and the other three holes are located up to 600 meter west.

The current program will include at least 1,500 meters of diamond drilling.

NO. 219(1984)  
NOVEMBER 14, 1984

GENL #219 14 NOV 1984

EUREKA RESOURCES INC. (EUK-V) 93A/7C 15

FURTHER ENCOURAGING DRILL - Eureka Resources, Inc. President Jack O'Neill has reported gold intersections of economic HOLE GOLD ASSAYS REPORTED significance were encountered in all nine diamond drill holes completed on the Frasergold precious metals discovery near Horsefly, 60 miles east of Williams Lake, B.C. (See table overleaf with drill hole location map).

The joint venture partner and operator, Amoco Canada, has reported that the drill indicated strike length has been extended to 1,500 meters and is open at both ends and to depth. The geochemical target is over 4 km long. Five of the nine holes were located in the area of 1983 drilling which initially identified a potential 800 meter strike length. The four additional 1984 holes extended the zone a further 700 meters to the south east. Drill hole spacing ranged from 100-150 meters and all holes were drilled at a minus 50 degree angle.

The Frasergold project is a potentially large deposit. Composite drill core samples will be submitted to Lakefield Research Laboratory, for cyanide leach tests and preliminary metallurgical data.

Under terms of the joint venture agreement, Amoco can earn up to a 50% interest in the property by spending up to \$900,000 by 31Dec85 and making cash payments to Eureka totalling \$500,000 to 31Dec87.

Expenditures during 1983 were in the area of \$400,000 with final 1984 costs expected to exceed \$400,000. Eureka can elect to maintain a 50% working interest in the property by contributing 40% of ongoing development costs or be reduced to a 15% net profits interest. Costs beyond an initial \$5,000,000 to be shared interest on a 50:50 basis.

FRASER MARCH 4

Eureka Resources says Amoco Canada Petroleum has made December option payments for the Frasergold property near Williams Lake, B.C., where some interesting gold values were encountered late last year. Eureka also says Amoco plans an extensive exploration program in 1984.

92A/7E

Apparently Amoco has sent over 350 core samples, each five feet in length, for check assay in Rouyn, Que., because of inconsistent assay results from core sections containing visible gold. Assays up to 0.477 oz. gold over five feet and 0.18 oz. across 14.5 ft. were encountered in the 1983 program.

Significant gold assays were also found on the DOR claim in the general vicinity of the Frasergold property. They ranged from 0.022 oz. gold to 0.155 oz. A coincident soil anomaly and electromagnetic conductor suggests there could be a massive sulphide zone extending for more than 3,000 ft. A trenching program has been recommended for the target zone and also 1,500 ft. of diamond drilling.

72A/7E

**Eureka Resources Inc. VSE-EUK**

Eureka has started a program of diamond drilling on its recently acquired 2,400 acre Songbird property, nine miles southeast of Parksville on Vancouver Island. A mineralized fault zone shown to be 30 feet wide has been exposed for nearly 250 feet and assays ranged from 0.011 to 1.58 ounces of gold per ton and 0.07 to 13.5 ounces silver per ton. Eureka also has two mineral properties near Williams Lake, B.C. one of which, the "Frasergold" is being joint ventured with Amoco Canada.

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GCNL 490 9 MAY 1984

**EUREKA RESOURCES, INC. (EUK-V) 92A/7E (92A 15)**

PROGRAM FOR FRASER GOLD - Eureka Resources, Inc. president Jack O'Neill has reported the 1984 exploration program is IN 1984 REVIEWED being planned for the "Frasergold" precious metals discovery near Horsefly, 60 miles east of Williams Lake, B.C.

Amoco Canada, the joint venture partner and operator, has recommended that up to 10 diamond drill holes of 200 meters each be drilled to test for extension of gold bearing structures discovered in 1983. Initially, the 1984 drill program will focus on possible extension to the southeast of the major discovery area.

Amoco also plans to examine three untested, strong, soil anomalies, two for gold and one for silver. In a summary report, it is stated that the 1983 field program encountered encouraging results, especially by diamond drilling "by showing gold is present and quite widespread in bedrock".

"The drilling has shown that gold is associated with quartz-rich structures and not restricted to a particular stratigraphic horizon as originally thought," the report continues.

Drilling results in 1983 yielded assays up to 0.477 ounce gold per ton over 1.5 meters and an average of 0.18 ounce gold per ton over 4.5 meters.

Under terms of the joint venture agreement, Amoco can earn up to a 50% interest in the property by spending up to \$900,000 by 31Dec85 and making cash payments to Eureka totalling \$500,000 to 31Dec87.

2



NO. 219(1983)

NOVEMBER 11, 1983

EUREKA RESOURCES, INC. AMOCO CANADA LTD.

93A/82

Hole No.	Intersection M.	Length M.	Oz. Gold/t	Hole No.	Intersection M.	Length M.	Oz. Gold/t
83-01	97.5-108.0 M	10.5 M	0.083	83-03	28.5-33.0	4.5	0.019
	including	1.5	.477		40.5-42.0	1.5	.075
	132.0-147.0	15.0	.013		120.0-124.5	4.5	.031
	198.0-208.5	10.5	.027		142.5-145.5	3.0	.015
	including	1.5	.130		189.0-196.5	7.5	.020
	247.5-250.5	3.0	.025		216.0-225.0	9.0	.011
83-02	61.5-67.5	6.0	.072	83-04	114.0-120.0	6.0	.048
	including	1.5	.195		159.0-165.0	6.0	.017
	108.0-115.5	7.5	.084		172.5-175.5	3.0	.029
	including	1.5	.265		201.0-202.5	1.5	.051
	127.5-132.0	4.5	.027	83-05	126.0-127.5	1.5	.029
	136.5-147.0	10.5	.020		267.0-285.0	18.0	.022
	208.5-210.0	1.5	.038		including	1.5	.110
	223.5-238.5	15.0	.021		298.5-310.5	12.0	.018
	including	1.5	.130				
	255.0-265.0	10.0	.067				

ASSAY EVALUATION RESEARCH CONTINUING - Eureka Resources, Inc. has reported that the 1983 exploration program has been completed on the Frasergold property near Horsefly, B.C. Preliminary assay results are shown above. Preliminary tests substantiate a significant assay problem exists. Testing of all samples containing visible gold continues. Assay check results show high variation due to the presence of coarse, free gold in a number of samples. Once Amoco has determined a definitive method of obtaining the correct assay- which should be shortly- a large number of samples containing high background gold will be submitted for re-assay. Results will be released.

The original concept of a potential ore deposit was finely disseminated gold confined to one or more favourable bedding zones. It is becoming apparent that a high percentage of gold is particulate, therefore erratic assay values have made it difficult to identify the potential zones. The down dip and on-strike projections correlate well in several of the drill holes.

AMOCO #10 16 JAN 84

EUREKA RESOURCES INC.

93A/1

RESULTS FROM TWO PROPERTIES REVIEWED- Eureka Resources, Inc. will diamond drill test, in January, a recently acquired gold/silver prospect 9 miles south of Parkville, Vancouver Island, B.C. A mineralized fault zone indicated to be some 30 feet wide has been exposed for nearly 250 feet in length with assay values ranging from 0.011 to 1.58 ounces gold per ton and 0.07 to 13.5 ounces silver per ton. One 25 foot section across the zone assayed 0.130 ounces gold and 0.93 ounces silver per ton. A VLF electromagnetic survey indicates the mineralized fault zone is moderately to strongly conductive with a continuous strike length in excess of one mile. Other conductors have also been identified. A trenching program is planned.

Amoco Canada, a joint venture partner in the Frasergold discovery, 60 miles east of Williams Lake, B.C., has made option payments due in December and plans an extensive exploration program in 1984. Amoco have reported that from the Frasergold property in excess of 350 full one-half core samples, each five feet in length, are being subjected to a critical assay technique at an umpire laboratory in Rouyn, Quebec. The 1984 drill program yielded incomplete assays up to 0.477 ounces gold per ton over five feet and an average of 0.18 ounces gold per ton over nearly 14.5 feet. Inconsistent assay results prompted the specialized assay treatment. The 1983 field program on its DOR claim block, in the general area of the Frasergold property, has yielded assays ranging from 0.022 to 0.155 ounces gold per ton where a coincident soil sample anomaly and electromagnetic survey conductor suggests a massive sulphide zone extending for more than 3,000 feet. Rock chip sampling indicated gold content up to 4,800 ppb. Trenching and drilling has been recommended.

2

11/25/85 270-7111-3

## Amoco encountering gold values on Eureka option near Williams Lake

By David Duval

VANCOUVER — With winter closing in on Eureka Resources' gold prospect 70 miles east-northeast of Williams Lake, B.C., Amoco Canada Petroleum, the operator for the project, should have time for just one more hole (No. 5) on this impressive property where early indications suggest they could be on to something very significant.

Amoco only started drilling the property this October, largely because of the time it took to conclude the option agreement with Eureka, and some impressive gold values have already been reported. The first of four holes completed in what was initially proposed to be a 4,000-ft. diamond drill program included one intersection grading 0.477 oz. gold over 5 ft. and a further 0.18 oz. gold over approximately 14.5 ft. in that same hole, according to Jack O'Neill, Eureka president. He notes that assay results have been received for only the first 300 ft. of the initial 1,000-ft. hole and both these intercepts occurred within that distance.

Possibly even more intriguing is the fact that visible gold was found in a second hole some 1,650 ft. northwest of the discovery hole and also in a third drilled between them. Indeed, assay results from a 15-ft. section in that big stepout returned 0.13 oz. gold while a 5-ft. higher grade portion of that intercept averaged 0.265 oz. gold. The large intersection was part of a 30-ft. core section submitted for assay with visible gold throughout. There were four sections in that core with visible gold. Apparently assay results from all core with visible gold are being re-checked suggesting these assays could be on the low side. This wouldn't be an unusual occurrence in the least because correct sampling procedures, along with sample preparation prior to assay, are critical to ensure results are representative. With free gold in the core it's very easy to come out on the low side although it's never a certainty. In the event, Mr. O'Neill says they "are hopeful the re-assaying by two labs will provide an accurate reflection of values in core samples with visible gold."

931/100

Even at this early stage of drilling some interesting correlations are being made. For one thing, the 0.477 oz. gold over 5 ft. in hole No. 1 coincided within 3.25 ft. of the down dip projection of a surface outcrop which assayed 1.5 oz. gold over a 5-ft. channel sample.

According to Mr. O'Neill, a fourth hole is now being drilled and a fifth, which he admits is designed to test for any down dip extension of the zone, could also be completed this month. This last hole should be about 1,500 ft., he says, and it will be spotted about 200-300 ft. south of hole No. 2. The property is at a very high elevation and some parts are around 6,000 ft.

Eureka's option agreement with Amoco (a wholly-owned subsidiary of Standard Oil of Indiana) calls for Amoco to spend \$900,000 by Dec. 31, 1985, on the property along with cash payments to Eureka by Dec. 31, 1987, of \$500,000 for a 50% working interest. Once Amoco has earned its 50% interest Eureka would be entitled to its half by putting up 40% of the ongoing development costs. In the event Eureka decided not to participate, the company would be reduced to a 15% carried interest.

There is a huge anomaly on the property described as a phyllite unit which extends for a distance of approximately two miles, with average widths ranging from 325-980 ft., a consultant's report on the prospect indicates. Basically, phyllites are metamorphosed shales which could suggest a stratabound nature to the discovery. The Northern Miner gathers. While officials from Amoco are not available for comment (the company is generally low-key on anything like this) Mr. O'Neill explains they are dealing with at least four en-echelon-type veins and gold values appear to be

associated with pyrite. Although the project is still at an early stage of exploration, it appears the gold isn't locked in chemically with that mineral.

Amoco is a major player in the huge Detour Lake gold project (N.M., Oct. 20/83) in northeastern Ontario which will open officially in November. Amoco discovered the gold deposit, and no doubt its experience there will significantly enhance the future of the Eureka gold property.

GCNL #177 14 SEP 1983 EUREKA RESOURCES INC. 93A

CARIBOO GOLD PROSPECT - Eureka Resources, Inc.'s president, John J. O'Neill announces the  
OPTIONED TO MASOR granting of an option to Amoco Canada Petroleum Company Ltd. to  
acquire a 50% interest in Eureka's Frasergold property, located  
45 kilometers east of Horsefly, Cariboo Mining Division, B.C. Amoco must spend \$900,000  
on the gold property before 31Dec85, including a minimum required expenditure of \$150,000  
in 1983 and make annual cash option payments to Eureka totalling \$500,000 to 31Dec87,  
including an advance payment of \$35,000.

The 1983 work program consisting of detailed sampling, construction of drill access  
roads and drill sites, and approximately 3,200 feet of diamond drilling is now underway.

EUREKA RESOURCES INC.

GOOD GOLD VALUES CUT - A significant gold discovery may be indicated by diamond drill  
IN FIRST DRILL HOLE results from the first hole testing a large gold anomaly on the  
5,000-acre property of Eureka Resources, Inc., 45 kilometers east  
of Horsefly, or 60 miles east of Williams Lake, B.C. Eureka president John J. O'Neill  
says Amoco Canada, operator of the joint venture, has advised that assays to date include  
0.477 ounce gold per ton over 5 feet and an average of 0.18 ounce gold per ton over nearly  
14.5 feet.

Assays have only been received from the first 300 feet of the initial test hole that  
was drilled to a total length of 1,000 feet. Mr. O'Neill reports that visible gold appears  
in the core of both the second and third holes and that values appear to increase going  
north. Hole No.2 is located 500 meters NW of the first target and Hole No.3 is 70 meters  
NW of the first hole. The holes were angled down at 45°. Mr. O'Neill says core from Hole  
2 is being logged and split before submission for assay. The third hole is drilling ahead.  
The overall program is being accelerated.

Amoco can earn up to 50% interest in the property by spending up to \$900,000 by 31Dec85  
and by paying Eureka a total of \$500,000 by 31Dec87.

If Amoco acquires the 50% interest, Eureka can elect to maintain 50% working interest  
in the property by contributing 40% of ongoing development costs, or be reduced to 15%  
net profits interest.

GCNL # 203

20 OCT 1983

EUREKA RESOURCES, INC.

SECOND HOLE CUIS - Eureka Resources, Inc.'s second diamond drill hole has intersected gold  
GOOD GOLD VALUES mineralization 1,600 feet NW of the discovery hole (GCNL201(83) refers)  
on their property 45 km east of Horsefly, 60 miles east of Williams Lake, B.C.

Assays from an initial 15-foot intersection of a total of 30 feet of core with visible  
gold from Hole 2 returned a 5-foot section grading 0.265 ounce gold per ton and an average  
for the 15 feet of 0.13 oz.gold/t.

Announcing this, Eureka president John J. O'Neill says Amoco Canada, as operator, has  
advised that assays from all core sections with visible gold are being rechecked by  
laboratories in Vancouver and in Rouyn, Quebec.

The discovery hole cut 5 feet grading 0.477 oz.gold/t which were within a 14.5 foot  
Interval that averaged 0.18 oz.gold/t. A possible surface quartz outcrop assayed 1.5 oz.  
gold/t over a 5-foot channel. "The extension of mineralization over a minimum 1,600 feet as  
indicated by preliminary results from the second hole, is highly significant," says Mr.  
O'Neill. Hole 2 has 4 sections of core with visible gold: 111 to 115.5 meters, 144 to 145.5  
m, 208.5 to 210 m and 237 to 238.5 m. All 330 meters of core are being assayed. Additional  
assays also are expected from the discovery hole.

Hole 3 was drilled about mid-way between Hole 1 and 2; visible gold has been reported in  
the core which is now in for assay. Hole 4, located 300 m NW of Hole 2 and 800 m from Hole  
1, is drilling beyond 467 feet. A fifth hole is planned.