

**CONTINENTAL
GOLD CORP.**

016361

**THE
GOLD & COPPER
GROWTH
INVESTMENT
IN
PERSPECTIVE**

*Developing
Mt. Milligan
To Production*

*Canada's
Largest
Gold-Copper
Deposit*



MT. MILLIGAN GOLD-COPPER PROJECT

A SUMMARY

Continental Gold Corp.
(69.84%) and **BP Resources**
Canada Limited (30.16%)
have discovered North America's
largest undeveloped gold-
copper deposit at **Mt. Milligan,**
British Columbia, Canada.

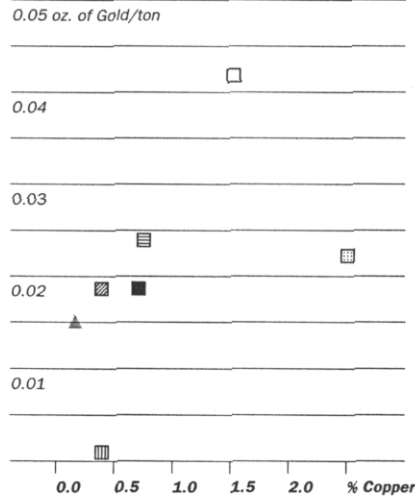
Introduction

The Mt. Milligan project is a world class, open pit mine development in the engineering stage. Current drill indicated metal content of reserves is 6,350,000 ounces of gold and 820,000 tonnes of copper. Milling at a rate of 55,000 tonnes per day would produce 400,000 ounces of gold and 38,000 tonnes of copper annually.

The Mt. Milligan project has many similarities to the world's largest gold-copper projects and will provide, from one mine, world class gold and base metal production.

World Class Gold-Copper Deposits

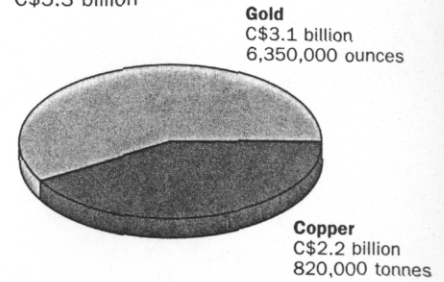
Metal Grades



- ▲ Mt. Milligan, BC
- Grasberg, Indonesia
- Bingham, USA
- ▨ Bougainville, Papua New Guinea
- ▤ Highland Valley, BC
- ▥ Ok Tedi, Papua New Guinea
- ▧ Olympic Dam, Australia

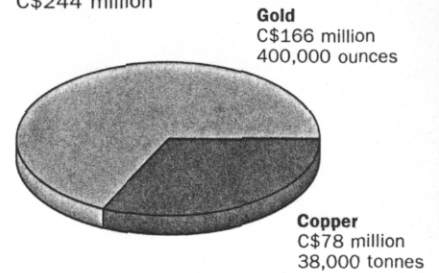
Mt. Milligan Gross Value of Contained Metal

C\$5.3 billion

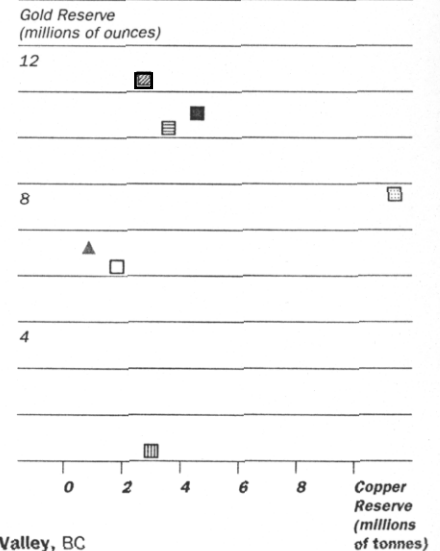


Mt. Milligan Projected Annual Smelter Return

C\$244 million

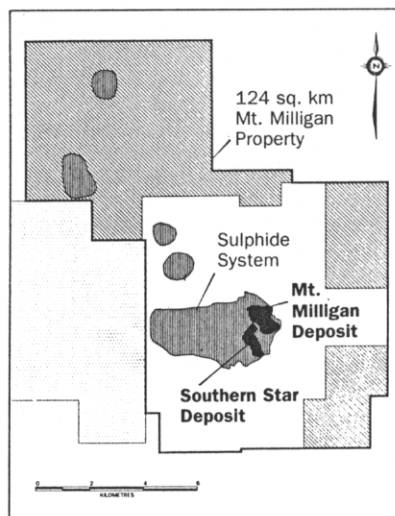


Metal Content in Reserves





Location & British Columbia Open Pit Mines



Property Map

- Deposit Targets
- 69.84% Continental Gold
30.16% BP Resources Canada
- 100% Continental Gold
- BP Resources Canada 100% Option

Location

The Mt. Milligan deposit is located 150 kilometres north of Prince George, at an elevation of 1,100 metres in an area of logged, gently rolling country. Climate is moderate. The resource based region hosts large pulp mills, sawmills and open pit mines such as Bell (copper), Endako (molybdenum) and Equity Silver (copper-silver-gold).

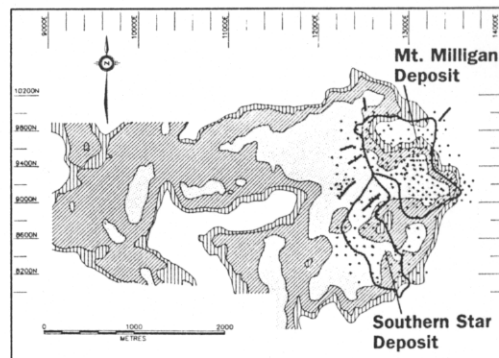
History, Geology & Exploration

In 1984, BP Resources Canada Limited acquired the Mt. Milligan property. After completing surface surveys BP Resources Canada Limited optioned the property in 1986 to United Lincoln Resources Inc. which amalgamated with Continental Gold Corp. in early 1989. The project is a Continental Gold Corp. 69.84% – BP Resources Canada Limited 30.16% joint venture. Continental Gold Corp. is project operator.

An immense, 10 square kilometre, gold and copper rich sulphide system exists around monzonite stocks which intrude volcanic strata. Drilling of 120,000 metres in 540 holes within the eastern portion of this system has confirmed two major bulk tonnage gold-copper

deposits and numerous high grade gold veins. The balance of the sulphide system and other targets on the 124 square kilometre property remain to be drill tested.

The Mt. Milligan gold-copper deposit measures 1,200 metres by 800 metres and is up to 400 metres deep. The Southern Star deposit is 1,300 metres by 400 metres, extends to 400 metres in depth and remains open. Deposits are capped by overburden which averages 25 metres thick. Mineralization is stockworks and disseminated grains of chalcopyrite, pyrite and minor bornite. Native gold occurs as fine free grains and associated with sulphides.



Deposit Plan & Disseminated Sulphide System

- Sulphide Content –
- High
 - Medium
 - Low
 - Vein
 - Drill Hole Location

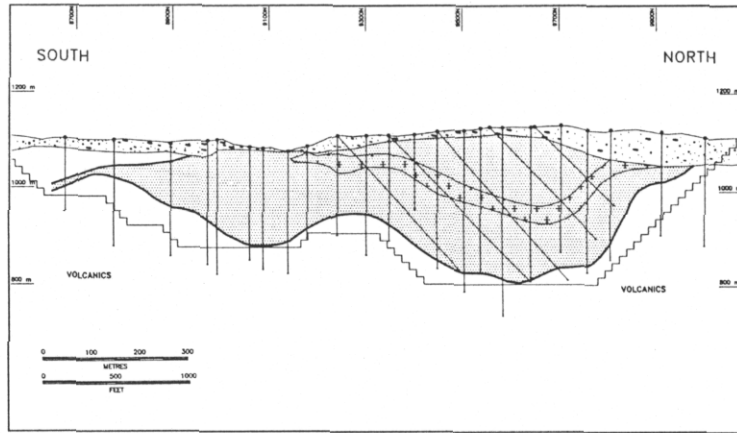
Reserves & Mining

The Mt. Milligan deposits rank among the world's largest gold-copper deposits. Additional drilling, presently underway, is expected to further increase reserves. Current drill indicated reserves are shown in the table to the right. Engineering of mineable reserves is in progress.

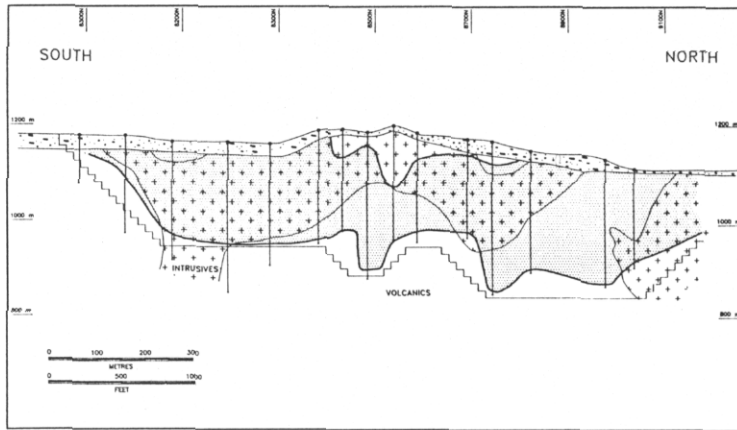
The massive size, blanket-shaped configuration and uniform distribution of gold and copper make the deposits ideally suited for high volume, low cost, open pit mine development. Stripping ratios are in the 1.2:1 range. Mining will commence within a near surface, relatively higher grade zone.

Drill Indicated Reserves

Deposit	Tonnes	Grade		Contained Metal	
		Gold oz./ton	Copper %	Gold oz.	Copper tonnes
Mt. Milligan	265,000,000	0.016	0.19	4,700,000	510,000
Southern Star	135,000,000	0.011	0.23	1,650,000	310,000
Total	400,000,000	0.014	0.20	6,350,000	820,000



Mt. Milligan Gold-Copper Deposit



Southern Star Gold-Copper Deposit

Metallurgy & Milling

Extensive metallurgical programs have been successfully completed. Coarse grinding of the low work index ore followed by standard flotation extraction processes recover 80% of the gold and 88% of the copper. A premium copper concentrate averaging 25% copper with 1.5 to 5.5 ounces gold/ton is produced. In-progress optimization work is expected to improve recoveries by 5%. A 200 tonne representative sample is being prepared for final pilot plant testing.

At a milling rate of 55,000 tonnes per day, current reserves provide for a mine life in excess of 15 years.

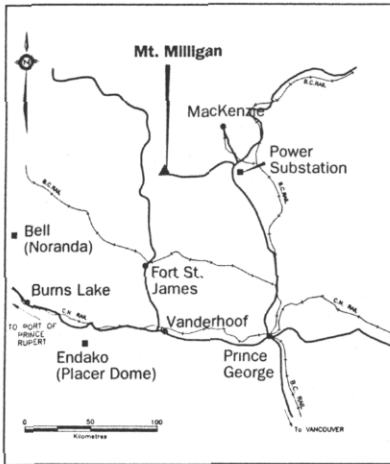
Infrastructure

Mt. Milligan is centred in British Columbia's mining country. Large scale open pit mines are the norm. After decades of production some of these mines are nearing exhaustion, freeing skilled personnel and equipment for Mt. Milligan's development. Nearby communities of Mackenzie (pop. 5,600), Fort St. James (pop. 2,500), and the major supply and service centre of Prince George (pop. 70,000) support the project's development.

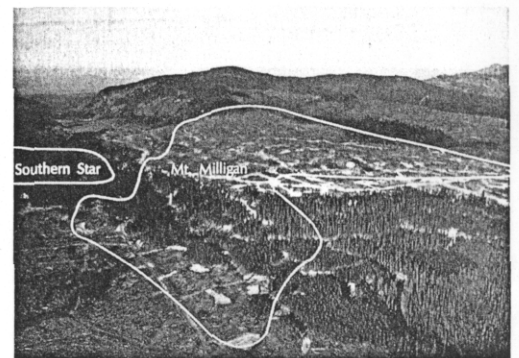
A developed road network and bulk container railroad system for deep sea port shipping of concentrate to smelters is in place. Electric power and water resources are available nearby.

Environment

Environmental surveys for the project are advanced, with government permitting programs underway. Uses for the provincially owned land are forestry, wildlife habitat with lesser potential for trapping, hunting and recreation. Since most of the Mt. Milligan site has been clear-cut logged, forestry and wildlife factors are less critical. Salmon do not inhabit the region's watersheds and there are no recorded heritage sites. Waste dump and tailings impoundments will be acid consuming and reagents used to recover metals will be conventional.



Site Location

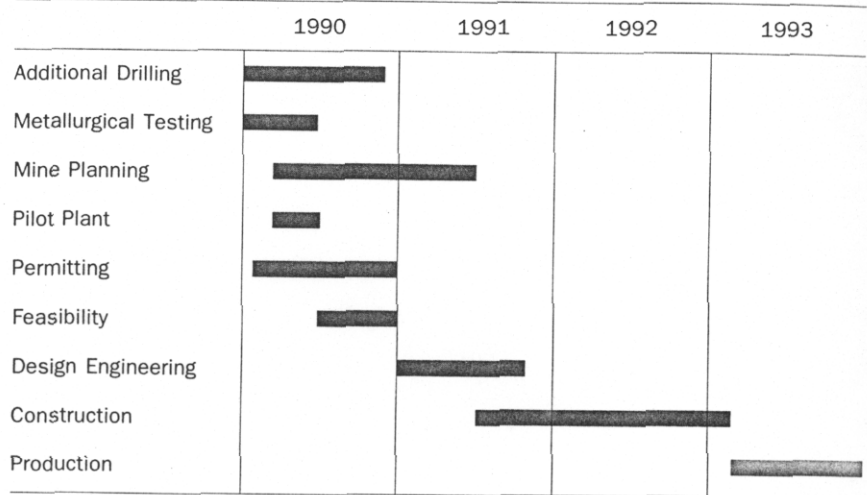


Mt. Milligan Project Site

Countdown To Production

Exploration expenditures to 1989 totalled \$11.6 million. An accelerated, \$7.1 million feasibility, engineering and permitting program is underway for a construction start-up in 1991 of the estimated C\$325 million project. Employing some 350 people, large scale production of gold and copper would follow in early 1993.

Development Schedule

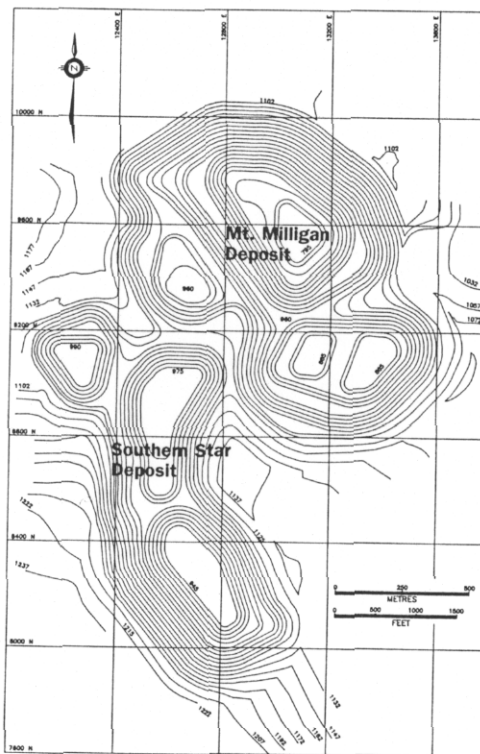


Mt. Milligan Mine Model

Milling Rate (tonnes/day)	55,000
Milling Rate (tonnes/year)	20,000,000
Mine Life (years)	15+
Project Capital Cost (C\$)	325,000,000
Operating Cost (C\$/tonne)	5.00

Projected Annual Operations

Gold Production (oz.)	400,000
Copper Production (tonnes)	38,000
Cost Gold Production (US\$/oz.)	140
Cost Copper Production (US\$/lb.)	0.34
Cost Gold Production Net of Copper Revenues (US\$/oz.)	40



Open Pit Plan