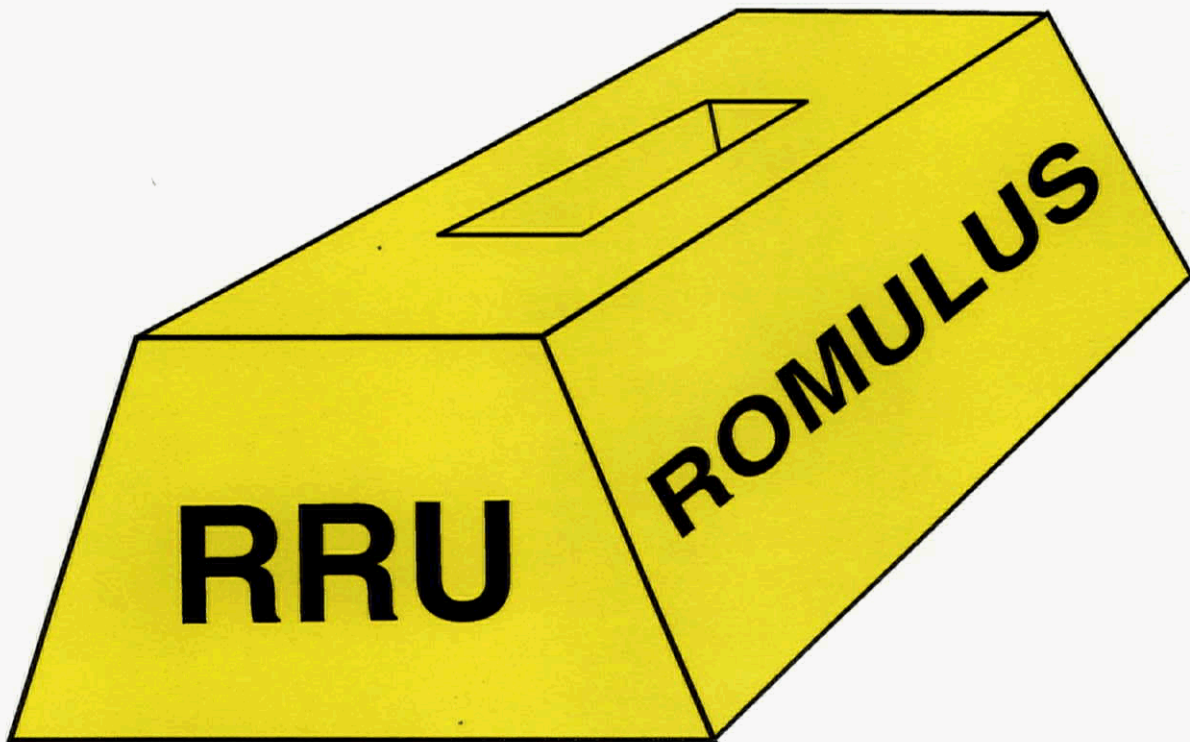


Roundup 1995

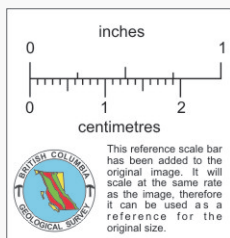
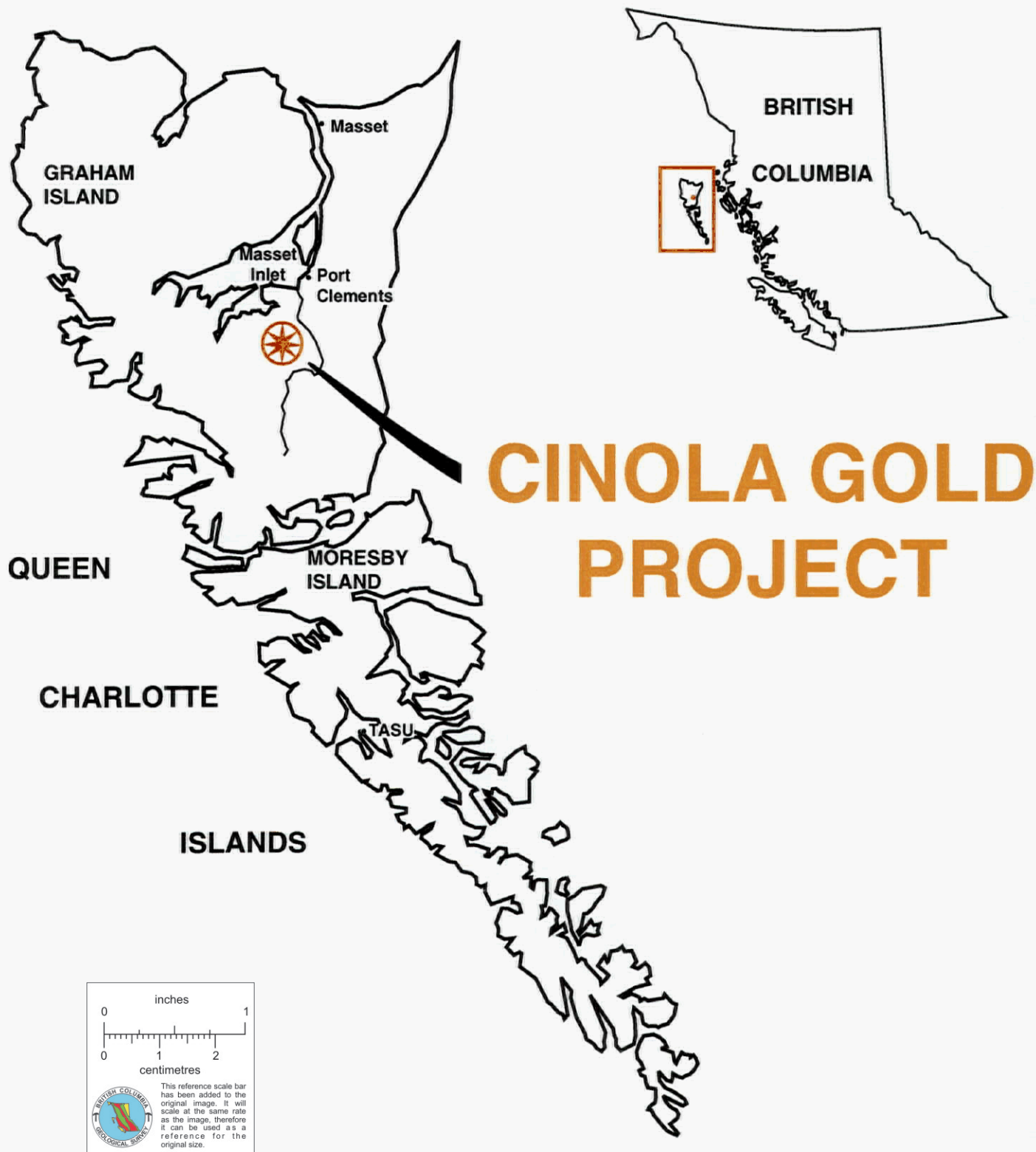
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CINOLA

# ROMULUS RESOURCES LTD.



# ROMULUS RESOURCES LTD.



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***Suite 1130, 777 Dunsmuir Street***  
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November 21, 1994

## **RADICALLY NEW PLANS FOR CINOLA**

Robert G. Hunter, Chairman of Romulus Resources Ltd. (RRU:VSE) and Robin A. Slaughter, President of Misty Mountain Gold Limited (MGL:TSE/VSE) are pleased to announce that the Companies have entered into an agreement to actively explore and if warranted develop the Cinola Gold Project utilizing radically different development concepts than proposed by former operators. Following the immediate initiation of an open and ongoing consultation process with local citizens, a major, large diameter, exploration drilling program will commence in 1995. The objective of the drill program is to delineate high grade gold reserves and collect appropriate material for definitive metallurgical testing of high grade gold zones. Successful results from this program could lead to engineering, planning and applying for permits for a substantial high grade gold mine utilizing underground or other low impact mining methods. Cinola, the most important known gold field in British Columbia, is located 18 kilometres south of Port Clements, Graham Island, Queen Charlotte Islands.

Under the agreement Romulus has acquired, subject to Stock Exchange acceptance, the right to earn a 50% interest in the Cinola Property and be the Operator of a Joint Venture between Romulus and the property holder Misty Mountain. Romulus will spend up to \$15 million on exploration and development within a staged period to earn its 50% interest. Following earn-in, Romulus and Misty plan to further advance the Project on a 50:50 joint venture basis. Romulus will be preferentially reimbursed for up to \$9 million of its expenditure from cash flow from a mine and in certain other events.

Since 1970 when the Cinola deposit was discovered, over \$40 million has been spent by former operators on trenching, drilling, underground development, bulk sampling, pilot mill testing, environmental surveys and feasibility studies. This work determined a mining reserve for the deposit of 31.3 million tonnes with a diluted grade averaging 2.2 g Au/t (0.06 oz/T), mineable in an open pit at a stripping ratio of 1.7 tonnes of waste to one tonne of ore. The resource delineated contained over 3 million ounces of gold.

Cut-Off g/t	Resource million tonnes	Grade		Contained Gold million ounces
		g/t	oz/T	
0.0	112	1.1	0.03	3.8
0.6	69	1.7	0.05	3.4
1.1	32	2.5	0.07	2.6
2.0	11	4.4	0.13	1.6
3.0	5	6.8	0.20	1.1

Previous work conducted at Cinola, focused almost entirely on outlining a low grade gold resource amenable to large scale open pit mining methods without fully considering the potential to develop high grade gold zones by alternative mining methods. Review of past drill results, however, indicates excellent potential to develop high grade gold reserves. Furthermore, recent structural and geological analysis of the Cinola Property has revealed previously unrecognized areas of high exploration priority. The known gold deposit is located near surface at the top of a hydrothermal hot spring system that developed along a fault structure. Gold grades in this type of system typically increase with depth and often culminate in very high grade bonanza ore bodies. At Cinola, past drilling intersected high grade gold zones, within and below the previously proposed open pit, adjacent to the associated fault structure, with some of the deepest drilling encountering the highest gold grades. Intersections such as 72 feet grading 0.76 oz/T, 66 feet grading 0.26 oz/T, 72 feet grading 0.33 oz/T, 20 feet grading 1.1 oz/T, 26 feet grading 0.36 oz/T and 7 feet grading 4.4 oz/T point to high grade gold potential.

The principal factors which have precluded development of the Cinola deposit to date are environmental concerns about potential acid rock drainage which might be produced by a large scale, open pit mine and low metallurgical recoveries from low grade gold ore. Review of the Project's extensive data base, however, indicates that both the metallurgical and environmental difficulties may have resulted from the former operator's assumption that the Cinola Project was best developed as a large scale, open pit mine treating low grade ore.

Previous metallurgical test work has shown that the amount of gold not recovered by processing is fixed irrespective of the grade, suggesting that gold recoveries should improve with the processing of high grade material. Also, previous test work on samples composited to represent the low grade ore expected from the large open pit planned at that time may not have properly evaluated the fact that there are at least two main ore types; low grade disseminated ore and higher grade vein type ore. Recoveries of gold from low grade ore were below 80%, however laboratory scale test work on high grade samples produced gold recoveries in excess of 90%

Unfortunately, in the past, industrial interests have not worked in co-operation and consultation with local community members. Their principal environmental concern, the potential for acid rock drainage, was compounded due to the significant amounts of potentially acid generating waste rock which would have been produced by the previously proposed large scale, open pit mine plan. The location of waste rock sites proposed in that plan, in relatively close proximity to the Yakoun River, an important salmon resource, was a legitimate concern of First Nation and other community people. Local citizens have, however, not prevented any developmental work at Cinola. The area has been extensively logged and permitting by former mine development proponents was advanced.

The Companies are very confident that in the months ahead a development program for the Cinola Project can be produced, which will eliminate environmental risks and adverse cultural impact while maximizing benefits to communities in the region.

On Behalf of the Board

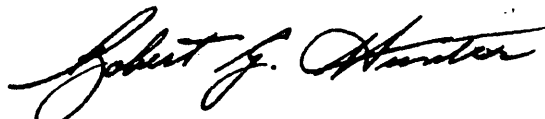
**MISTY MOUNTAIN GOLD LIMITED**



Robin A. Slaughter  
President

On Behalf of the Board

**ROMULUS RESOURCES LTD.**

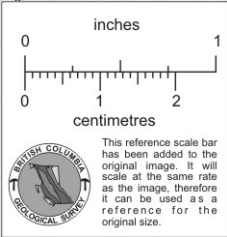
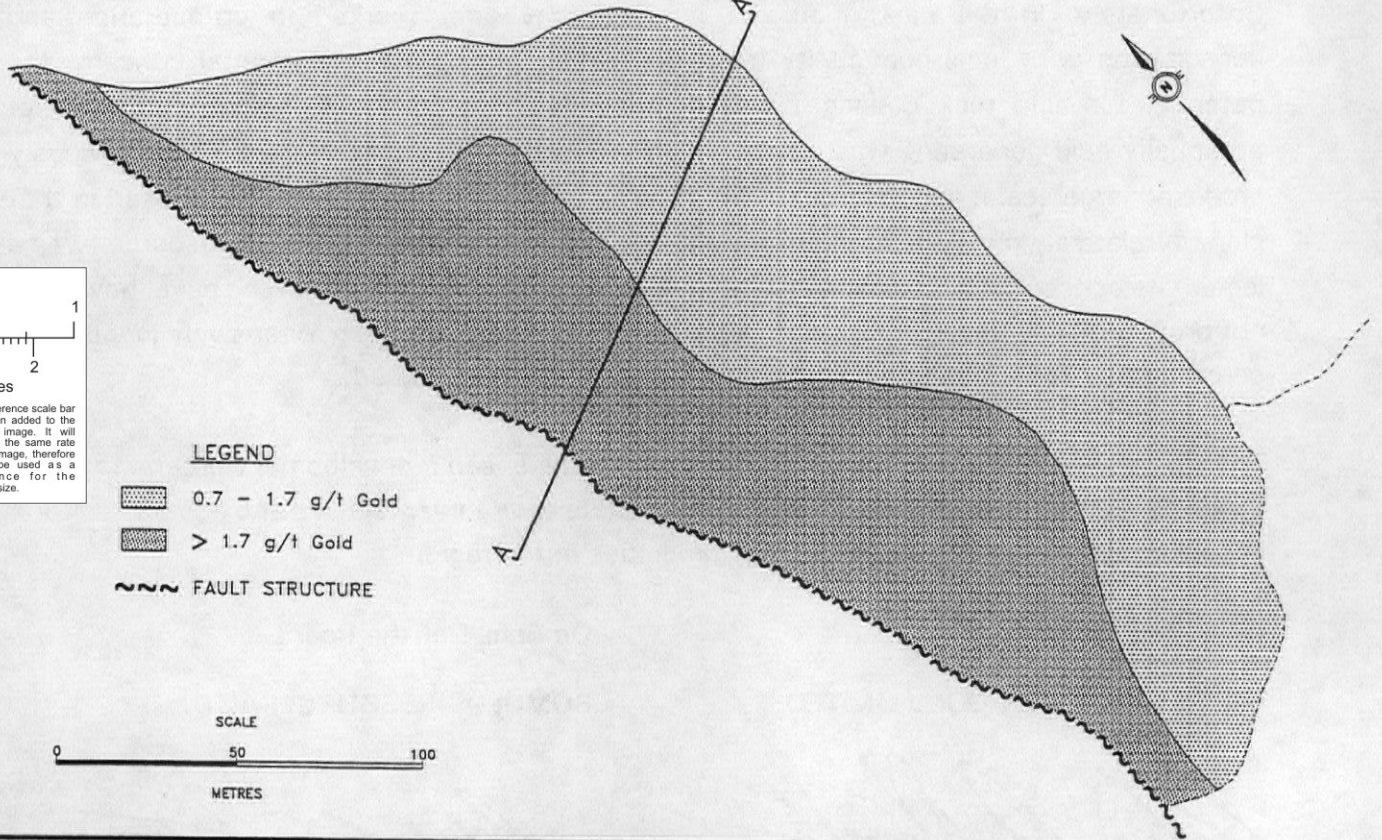


Robert G. Hunter  
Chairman




The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

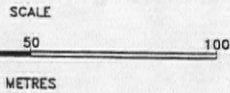


**SCHEMATIC PLAN VIEW  
CINOLA DEPOSIT**

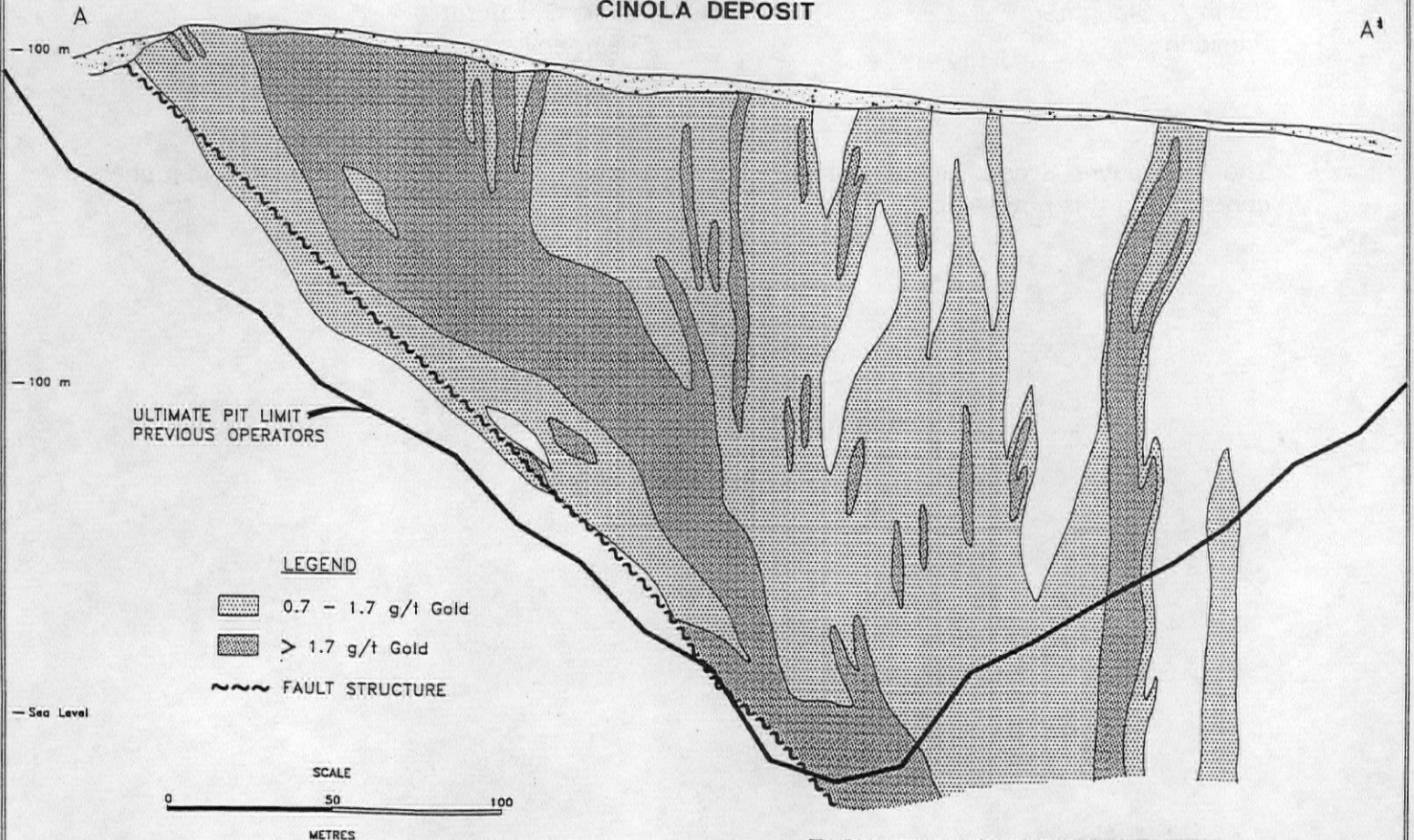


**LEGEND**




-  0.7 - 1.7 g/t Gold
-  > 1.7 g/t Gold
-  FAULT STRUCTURE

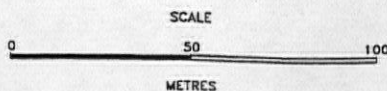


**SCHEMATIC CROSS SECTION  
CINOLA DEPOSIT**



**LEGEND**

-  0.7 - 1.7 g/t Gold
-  > 1.7 g/t Gold
-  FAULT STRUCTURE



**ROMULUS RESOURCES LTD.  
MISTY MOUNTAIN GOLD LIMITED**

## OFFICERS

Robert G. Hunter, Chairman  
Robert A. Dickinson, President  
David J. Copeland, Vice President,  
Exploration  
Jeffrey R. Mason, Secretary Treasurer

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Scott D. Cousens  
Robert A. Dickinson  
Robert G. Hunter  
Jeffrey R. Mason  
Ronald W. Thiessen

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Vancouver, British Columbia  
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## TRADES

Vancouver Stock Exchange (RRU)

## CAPITALIZATION

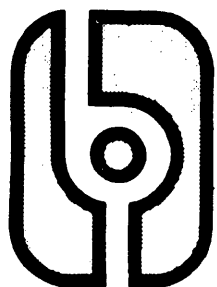
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Issued	9,900,333
Fully Diluted	11,485,333

## FOR FURTHER INFORMATION CONTACT:

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**ROMULUS RESOURCES LTD.**  
**CORPORATE INFORMATION**



# BI Research<sup>®</sup>

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## ROMULUS RESOURCES

(\$1.20 US OTC Pink Sheets; VSE symbol is RRU)\*

When we first recommended Romulus Resources this summer it was just a shell owned by people who have had great success in the past and were looking for a good mining property to put into the shell. This has now happened and we can give you a more detailed recommendation. Romulus Resources is expected to be the next stock in a string of successes from the management team of Bob Hunter and Bob Dickinson who have a knack for finding promising gold/copper properties, financing them, drilling them, and proving a reserve which they then sell to a major mining company even as they continue with the permitting process. Romulus has recently acquired, via an agreement with Misty Mountain Gold Ltd., the right to earn a 50% interest in the Cinola Gold Property (and to be the operator) in exchange for spending up to \$15 million on exploration and development. Over \$40 million has been spent on this project, previously delineating an open pit reserve containing over \$3 million ounces of gold. The property is in the Cinola gold field, reportedly one of the most important gold fields in British Columbia. It is located 18 kilometers south of Port Clements on Graham Island.

The problem Misty Mountain was having with Cinola was that, as an open pit mine, the stripping ratio was 1.7 to 1, resulting in a lot of waste ore which would yield considerable acid run-off that had caused objections from the community. The project was stuck. Enter Hunter and Dickinson. After poring over the data, they noted that prior management had only drilled the property down to a depth of 400 to 600 feet and was trying to develop it as an open pit project where it was running into stiff and justifiable environmental opposition. Moreover, they noticed that the grades of the ore intercepts increase at greater depths, and that the gold deposit to date appears to be located at the top of a geothermal hot spring system that developed along a fault line from somewhere down below. Gold grades in this type of system typically increase with depth and often culminate in very high grade bonanza ore bodies. The prior owners had not drilled to confirm this; it takes money. Further, the ore is not as continuous throughout the deposit as it is with El Condor and Taseko. In fact, it runs in high grade veins amidst low grade disseminated ore. Past drilling intersected high grade gold zones, within and below the previously proposed open pit, adjacent



to the associated fault structure, with some of the deepest drilling encountering the highest gold grades. Gold intersections included 72 feet grading .76 oz/ton, 66 feet grading .26 oz/ton, 72 feet grading .33 oz/ton, 20 feet grading 1.1 oz/ton, 26 feet grading .36 oz/ton and 7 feet grading 4.4 oz/ton, pointing to high grade gold potential. Pending successful discussions with the local communities about how the problems that concern them can be avoided with underground mining methods, Romulus will initiate a major large diameter exploration drilling program in 1995 which will define the high grade gold zones and drill this system to greater depths, thus expanding the gold reserves (previously 3 million oz.) and perhaps locating the source. In all likelihood, the Company will take the project forward as a more environmentally acceptable underground mine. Unfortunately, the mine had previously not been undertaken in cooperation with the local community. The location of waste rock sites proposed in earlier plans, in relatively close proximity to the Yakoun River, an important salmon resource, was a legitimate concern of First Nation and other community people. The companies are very confident that a new mine can (probably an underground plan) will eliminate environmental risks and adverse cultural impact, while maximizing benefits to the community and providing jobs the Island sorely needs. The stock is a buy based on the management team of Romulus and the promise of exciting drilling results this year, hopefully leading to a takeover by a major mining company down the road. This team has done this 2 or 3 times already and is on the verge of selling off another (El Condor). Taseko Mines (yet another of their projects in development) has already advanced nearly ten-fold (400% since we recommended it). This one makes sense also. If they can prove up an underground mine with 3 million ounces and somebody will pay them \$30 an ounce for it, and say there are 12 million shares by then and Romulus owns 50%, that would be \$3.75 US a share as compared to \$1.20 now. Thus there is a good chance to triple your money in 2 or 3 years, which spells Buy in our book. The BI Rank is a healthy 9.2. Phone: (604) 684-6365.