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REG RESOURCES CORP. (RRE-V)

MANAGEMENT APPOINTMENT - Reg Resources Corp. has appointed George Muscroft, consulting mining engineer, B.A.S.C. as vice president of mining. Mr. Muscroft has thirty years of experience including eight years as mine manager at: Placer Development, Rio Algom, Falconbridge Group, Kerr Addison, and Manitou-Barvue Mines. Reg Resources have approved an employees option of 18,000 shares at 65¢ per share for a five year period, to Mr. Muscroft.

Reg Resources has announced an agreement with Teryl Resources Corp. to acquire a 50% interest in Teryl's option on a 50% interest in the Leo-Flo deposit and Sovereign Metals Corp. claims (Cub Group). Pursuant to the Sovereign/Teryl Resources Corp. agreement dated 25Aug85. The Leo-Flo property is located in the Liard district, B.C. near the B.C. Yukon border, consisting of 79,849 tons averaging 10.7 oz. silver, 2.84% lead and 6.03% zinc. The silver alone is worth \$8,000,000 at current prices.

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Reg Resources will issue 50,000 shares and spend the next \$50,000 on exploration and thereafter share 50% of Teryl's working interest participation. Teryl must spend \$150,000 on Leo-Flo Exploration by Jan.31, 1987 to earn a 50% interest.