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February 5, 1980.

PRESS RELEASE.

SEMCO MINING CORPORATION

ERICKSEN ASHBY PROPERTY
TULSEQUAH DISTRICT, ATLIN MINING DIVISION, B.C.

A program of 4000 ft. of BQ diamond drilling in 10 holes is planned for the Ericksen Ashby silver-lead-zinc property this summer, states Ronald B. Stokes, P.Eng., President of Semco Mining Corporation.

This Volcanogenic massive sulphide property is located 130 km south of Atlin on the Taku river in northern B.C.

It is just over the Canadian border from the Alaska Pan handle and N.E. of Juneau.

It was discovered in 1929 by Ericksen and Ashby and held by them until 1950.

The Big Bull and Tulsequah Chief mines located five and ten miles distant north of the Taku River, were operated by Cominco from 1951 to 1957. They produced a million tons grading 0.08oz/T gold; 3.3oz/T silver; 1.32% copper; 1.45% lead and 6.05% zinc.

The Polaris Taku gold mine, also in the vicinity, was in operation previously.

The Ericksen Ashby property was optioned from Gerald H. Rayner, P.Eng., Consulting Geologist, who restaked it in 1976.

Lenticular orebodies extend intermittently over a horizontal distance of 5000 ft. and up to 40 ft. in width with probable extension down dip for 500 ft. to 1000 ft. Mineralization consists of tetrahedrite, argentite, pyrrhotite, sphalerite and galena.

Drilling, trenching, surface and underground sampling indicate at least 1,000,000 tons of mineralized rock grading 6.27 oz/ton silver; 2.23% lead; 3.79% zinc, plus recoverable gold and cadmium.

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Cominco in the 1950's examined only one of the twelve showings and estimated 300,000 tons 0.06 oz/T Au; 10.3 oz/T Ag; 1.9% Pb; 1.8% Zn mineable reserves to depth of 150 ft. only.

The location of the orebody within a steep ridge provides for mining by gravity (through adits) from the side and below for the majority of the reserves.

The potential for the zone could be considerably greater. This will be determined from the first stage drilling and mapping planned for 1980.

Cash flow model projections by computer, indicate a 1½ year payback at \$25 and \$30 per oz. silver.

Dr. John Payne, PhD., volcanogenic specialist remapped the geology of the property during 1979 for SEMCO, and has prepared a new model for its exploration with the drilling program.

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