

DROMEDARY EXPLORATION COMPANY LIMITED**ELIZABETH MINE PROJECT****British Columbia****TARGET:**

0.5 to 3 million tons, +0.5 oz/ton gold mesothermal vein.

LOCATION:

The property is 230 km. north of Vancouver and is accessible by road from Lillooet, 75 km. to the southeast.

PROPERTY STATUS:

The property is owned by two prospectors, Tom Illidge and David White and is under option to Dromedary.

EXPLORATION HISTORY:

The property was discovered in the '30's and optioned to Bralorne, who carried out underground exploration over a 10 year period. Bethlehem Copper optioned the ground in 1956 and 1957, followed by Prism Resources in 1980.

Following discovery of a high grade surface showing in 1989, the property was optioned to Blackdome Mining in 1990. Parts of the underground were rehabilitated and the trenching was extended.

GEOLOGY:

The claims are underlain by serpentized ultramafic rocks which have been intruded by granodiorite. The ultramafics are probably part of the Permo-Triassic Bridge River Complex, while the granodiorite has been mapped as Eocene.

Gold-quartz veins are north-northeast trending, mainly within granodiorite. Best gold values appear to occur immediately adjacent to ultramafic rocks, where veins bend northward. Alteration haloes are narrow, consisting of quartz-carbonate-sericite.

EXPLORATION RESULTS:

In 1957, Bethlehem calculated a reserve of 1,430 tons grading 2.78 oz/ton gold in the West Vein. Surface sampling in 1990 by Blackdome produced an 82 ft. strike length grading 2.4 oz/ton gold over a 1.4 ft. average vein width.

This showing can be extrapolated down plunge to underground workings, 215 ft. below surface, where 92 ft. of the vein averaged 1.3 oz/ton gold over a 2.9 ft. width. Trenching very late in the season showed the Main Vein beginning to develop ore grades to the east of previously known low grade exposures. Four other veins are known on the property.

EXPLORATION POTENTIAL:

The Elizabeth Mine property occurs in proximity to both the Bralorne and Blackdome properties. However, given that Elizabeth occurs in granitic rocks intruding ultramafics and it is characterized by quartz-sericite-carbonate alteration, it has all the earmarks of a mesothermal vein and therefore another Bralorne. In fact, the original showings at Bralorne were reportedly of similar size and extent to those on the Elizabeth property.

Thus, while it will be important to know the full extent of surface veins at Elizabeth with trenching program, it will be more important to drill the main structures to see how they behave at depth.

Blackdome vs. Bralorne

	<u>Blackdome</u>	<u>Bralorne</u>
Deposit type	Epithermal	Mesothermal
Size (tons)	330,000	8,000,000
Grade (opt)	0.67	0.5
Production (oz)	223,000	4,000,000
Vertical extent (ft)	500	6,500 (still open)
Host rock	Tertiary volc.	Mesozoic arc, ultramafic/oceanic
Alteration	Silica, K-spar, Clay, Sericite	Quartz, Sericite, Ankerite, Biotite

RECOMMENDED PROGRAM:

Additional trenching and a soil sampling survey are required to continue the surface evaluation of the property. However, in order to fully evaluate the potential to develop significant reserves, a drill test of the known high grade shoots is required.

PROPOSED BUDGET:

Trenching	\$ 30,000
Soil Survey	20,000
Diamond drilling	120,000
Office support	10,000
Contingency	<u>20,000</u>
	<u>\$200,000</u>

Dromedary Exploration Company Ltd.

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NEWS RELEASE

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The Company is pleased to announce that it has reached an agreement to option the Elizabeth property in the Bralorne - Bridge River area, British Columbia. The Company can earn a 100% interest in the property by making payments of \$110,000, issuing 200,000 shares and completing \$1 million in exploration expenditures over a four year period. Should the property attain commercial production, the optionors will receive 300,000 additional shares and a 3% NSR. The agreement is subject to regulatory approval.

The Elizabeth property was originally explored by Bralorne Mines in the early 1940's. There are six known quartz vein occurrences. The most promising mineralized shoot developed to date, within the West Vein, assayed as follows (sampling by Blackdome Mining Corporation, 1990):

Location	Length (ft.)	Width (ft.)	Gold (oz/ton)
Surface	82	1.4	2.4
7230 level	92	2.9	1.3

Note: 7230 level is approximately 215 ft. below surface.

The veins show striking similarities to the mineralization at nearby Bralorne, which produced 4 million oz. of gold over 70 years of mining history. In particular, the Bralorne veins are consistently mineralized from surface to depths in excess of 6,500 ft. The exploration potential at Elizabeth is considered excellent, not only in extending the known gold shoots to depth but also in the discovery of new shoots on the property.

Work planned for the 1992 summer field season will focus on diamond drilling the down plunge extensions of the known gold zones.

The Company has also arranged for a private placement of 100,000 units at \$0.20 per unit, subject to Vancouver Stock Exchange acceptance of the option on the Elizabeth property. Each unit will consist of one share and one non-transferable warrant entitling the holder to purchase one additional share for two years at \$0.20 per share during the first year and \$0.25 per share during the second year.


Gerald G. Carlson
President