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924/6,11  
Emancipation  
Mine

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contact

LANA  
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Date: FEBRUARY 27 1992 Fax#: 946 - 8362

Attention: MILO Firm: R.F. FRY & Associates.

From: JOE SHEARER Firm: HOME GOLD RESOURCES LTD.

Message: Since you already have the summary report on the Emancipation MINE by K. Fahrni, you know the thinking behind the exploration program we started last fall directed toward outlining a limited tonnage of gold mineralization in quartz veins.

So far we have drilled 3 up holes into the priority target area. The first hole showed us where we were relative to the previous drill since we started below (4 level) all other work. Subsequent holes intersected 1 to 2 feet of quartz vein mineralization grading 0.2 to 0.3 oz/ton gold. It appears the high grade (> 1oz/ton gold material) is still to the east of our last hole. Continued drilling is a must as strongly recommended by Walter Thorpe P. Eng our independent geological consultant.

Up until early December 1991, I calculate that..

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EMANCIPATION MINE  
(continued)

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HomeGold Resources has spent about \$60,000 in cash and work/equipment equivalents.

HomeGold has an option agreement with Anglo Swiss Mining Corporation to acquire 50% of the Emancipation Mine through work expenditures and small cash payments. We also receive 50% of any profits of mining even before we earn any interest.

For an incoming group willing to fund a \$50,000 work program of continued underground diamond drilling, I am prepared to give them 50% of HomeGold's option.

If you have any questions, please call me at 681-4902. I will be out of town Friday Feb 28 to Tuesday March 3. I will be in the office on Wednesday March 4.

Yours truly  
Joe Shearer  
Joe Shearer  
HomeGold Resources Ltd.

HOMEGOLD RESOURCES LTD.  
548 Beatty Street  
Vancouver, B.C.  
V6B 2L3  
Tel: (604) 681-4902 Fax: (604) 684-3854

July 8, 1991

Milo Filgas  
R.F. Fry & Associates (Pacific) Ltd.  
7923 Webster  
Lander, B.C.

Tel: 946-4355  
Fax: 946-8362

Dear Milo:

Re: Emancipation Mine, Hope, B.C.

I have enclosed an introductory report on the Emancipation Mine by K. Fahrni. Although this report was written in 1981, the extensive work by Aquarius Resources (1978-1982) did not follow Mr. Fahrni's conceptual recommendations about a small high-grade narrow vein deposit and his ideas remain a valid interpretation of the mine. Aquarius was interested in finding a bulk mineable disseminated gold zone similar to the nearby Carolin Mine which was in production and the subject of considerable stock promotion.

During their underground drill program, Aquarius intersected high grade mineralization both above to the north and below to south adjacent to the small decline off 3 Level. This suggests that some minor tonnage still exists in the upper workings where the vein starts to feather out. The old-timers stopped stoping where the distinct vein comes to an end.

Of more interest to Homegold in 1991 is a series of high-grade intersections found in a vertical down hole from 2 Level which are 20 to 40 feet above 4 Level. Aquarius did not open 4 Level, but we have recently constructed a road down to the 4 Level portal and opened the workings. We are currently mucking out material which flowed into 4 Level from the raise to 3 Level. The Aquarius drill hole was 110 feet north of the raise. After mucking out and general underground repairs in the next 2 weeks we plan to start a program of short diamond drill holes to prove up a small amount of high-grade tonnage.

Depending on ore grade, we may be able to direct ship to the Trail Smelter on their silica schedule.

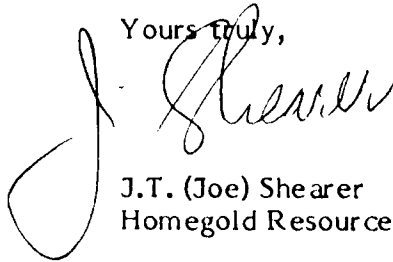
Between May 1916 and November 1919, the mine produced 118.19 tons of hand-sorted ore which averaged over 15 oz/ton gold. Homegold's immediate goal is to produce several thousand tons of around 1 oz/ton grade.

Walter Thorpe, P.Eng. is giving us some guidance about geological concepts. Walter has visited the Upper Levels, but has not gone back since we opened 4 Level last week. I hope to have Walter up sometime this week.

We are financing the venture through Homegold Resources Ltd., a private company. Currently I hold the only share, but I anticipate to sell around 400,000 shares at 25¢ to raise over \$100,000 - about half is committed so far. Some of these shares will be flow-through. I have been involved in a number of flow-through financings and have become familiar with the requirements. Homegold was incorporated on March 18, 1987 and has been used as my personal exploration company. I plan to take some minor shares in recognition of money already put through the company and for setting up the Emancipation Option.

If you are interested in this project or need additional details, please give me a call at (604) 681-4902 (office) or (604) 942-5377 (home).

Yours truly,



J.T. (Joe) Shearer  
Homegold Resources Ltd.