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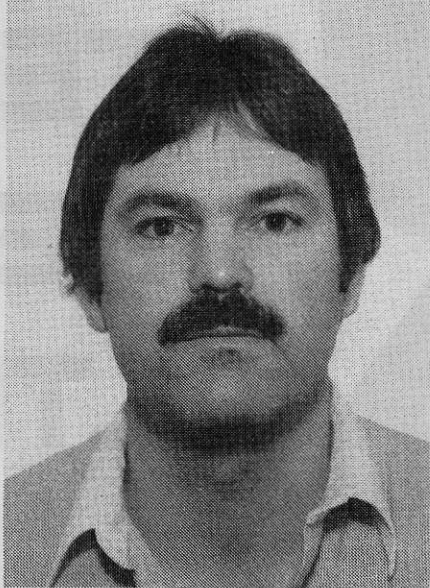
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Northwest Prospector

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# STAKE STOCK EXECUT

## Sundance Gold Ltd.



GORDON BLANKSTEIN of Sundance

### SUNDANCE BECOMING LEADING JUNIOR

With successful mining properties from British Columbia down through the state of Nevada, Sundance Gold Ltd. has been making the news lately across the continent. With all the current emphasis on the Vancouver, British Columbia based company it is no wonder the employees are feeling proud of their accomplishments.

The directors of Sundance Gold Ltd. have recently announced the completion of an agreement to purchase a 50 percent interest in the Drain Lease Mine located on Lower Otter Creek, and the Dan Group of claims located on the Middle Otter Creek in the Atlin Mining District of British Columbia.

The acquisition of the Drain Lease Mine will generate several essential benefits in terms of Sundance's long range development plans for lower and middle Otter Creek. One of these benefits will be an immediate and long term stable cash flow for the company. Other

noteworthy advantages include the fact that production along the tertiary channel will move upstream without interruption onto Sundance's Dan Group of claims located adjacent to the Drain Lease Mine. Combined ore reserves at the Dan Group are 300,000 cubic yards proven, 200,000 cubic yards probable, and 1,550,000 cubic yards possible. There is also an estimated 205,000 ounces of gold at the site.

Under the terms of the agreement, gold produced by the mine since September 6, 1983, accrues to the joint venture partner's account. Production from the first three weeks of activity after the purchase yielded approximately 1,225 ounces of gold. The huge placer operation is currently closed down for the winter freezeup. Sundance Gold Ltd. and its joint venture partner, Genie Resources Ltd., estimate that the 1984 production from their Otter Creek Mine will be roughly 22,000 ounces of gold or about one percent of the total output of gold in Canada.

Another property which is nearing production for Sundance is Clear Creek in the Yukon Territory, located southeast of Dawson City. The 51 placer claims consist of numerous gravel benches which have been stripped down to permafrost and are ready for production in the spring. Sundance is currently negotiating to place the property into production on a joint venture basis with an experienced mine operator. If Sundance is unable to negotiate this option, they intend to put the property into production themselves in 1984.

The company's third property, in which they have a 50 percent working interest with Rule Resources, is located in the historic Comstock area of Nevada. The Comstock has been reported to be the largest gold and silver producing area in the United States: production by all of the mines in the Comstock Basin from 1859 to 1930 was in excess of 8.0 million ounces of gold and 170.0 million ounces of silver.

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## SUNDANCE

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The Big Comstock property consists of 28 claims and is a former producing mine. Situated over two important structures, the Occidental and Comstock Home faults, the Big Comstock is bound to the west by the Occidental Mines which produced \$400 million of gold and silver (at today's prices) during the 1870's. The Big Comstock was developed by a two-compartment, 325 foot shaft with underground development totalling 8,576 feet of drifts and crosscuts on three levels.

Sundance has done surface geological mapping and is retimbering the shaft in an attempt to get back underground. A tailing pile, of an estimated 500,000 tons of ore containing significant values of gold, silver, and platinum, is also located on the property.

A VLF survey and EM evaluation are close to completion with NQ Diamond drilling to commence in early December, 1983.

Sundance has options on two nearby properties in the Comstock area. One is with the Martel Company on the 15 claim Oest mine near Silver City, and the other is with the Kyle Company on the three claim Old Utah mine. Sundance will have a 50 percent interest in both mining areas.

In addition, Sundance will earn a 24.5 percent interest in Falconridge Limited's Easy Inlet claims on Vancouver Island, British Columbia, by contributing \$350,000 over the next three years. The joint venture with Falconbridge and Cal-

Denver Resources Ltd. has completed Phase One of an exploration program on the property.

Falconbridge is the operator of the project, and since the 1930's, that company has conducted geochemical studies, grid work, and shallow diamond drilling on the claims. The surface geology and rock alterations of the claims are similar to epithermal gold deposits, a result of volcanic underground hot spring reactions. As part of the 1983 exploration program, seven holes were drilled and indicated and good deposits of gold and silver.

Sundance's new management team is headed by John Vroom, President, Mr. Vroom is currently also president of Orwell Energy and has been very successful in the housing industry. Company Vice President Barry Somervail has a background as a stockbroker, and is a past vice president of Orwell Energy. General Manager Gordon Blankstein has a master's degree in Business Administration and formerly owned a consulting firm. The group is confident in a successful 1983 and looking forward to production in 1984.

Sundance is an interesting company in that it has numerous prospects, two of which may be in production next year. The Otter Creek property is a very rich placer prospect, one which could make an investment in Sundance very rewarding on its' own.

All of the other prospects are more than lukewarm. As for management, they seem more than capable in the picking-them-up-and-putting-them-down department.

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