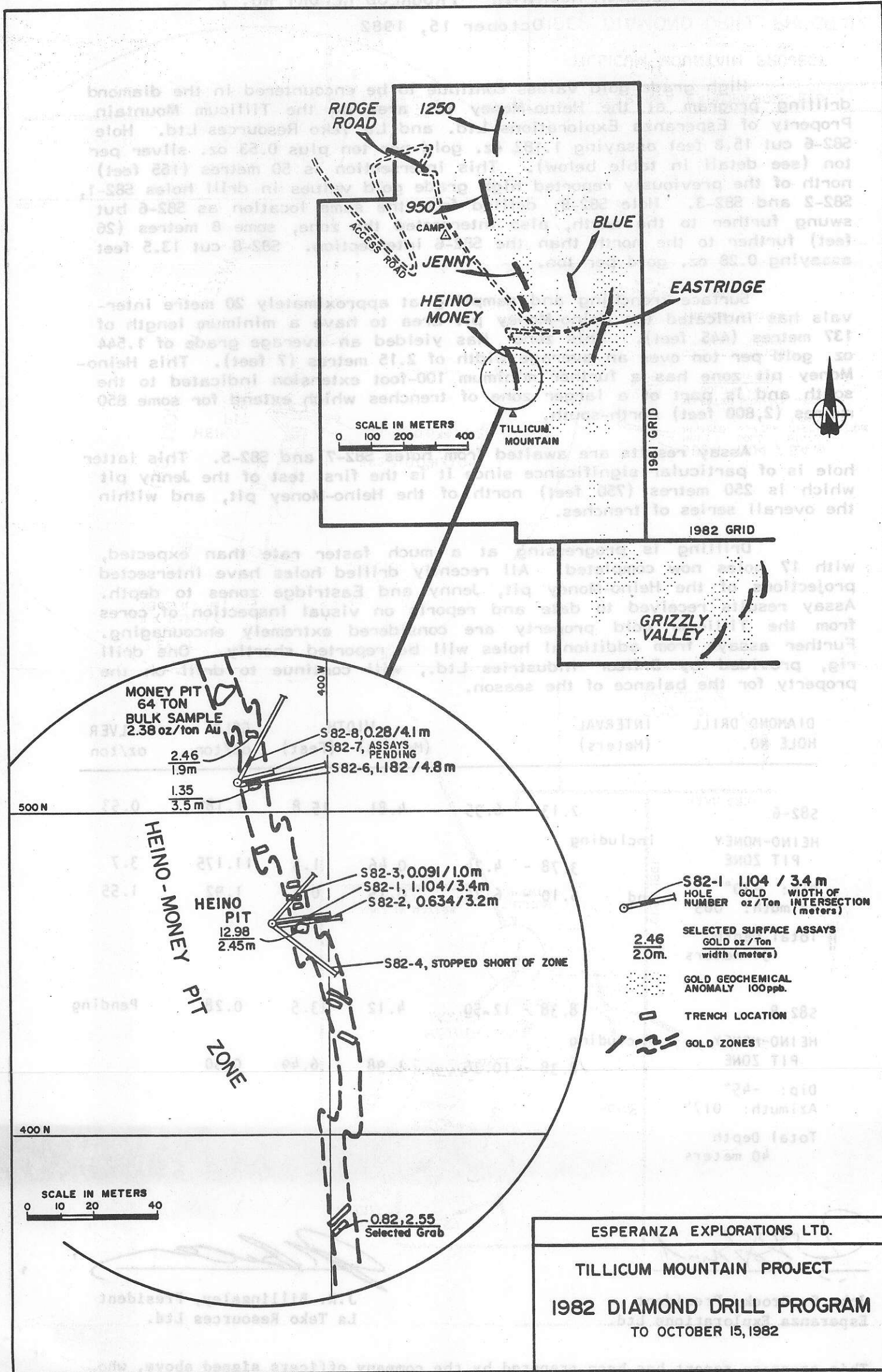


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ESPERANZA EXPLORATIONS LTD.

TILlicUM MOUNTAIN PROJECT

1982 DIAMOND DRILL PROGRAM

TO OCTOBER 15, 1982

TILlicUM MOUNTAIN - PROGRESS REPORT NO. 7

October 15, 1982

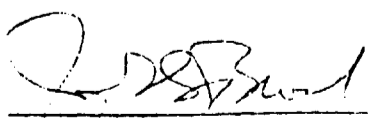
High grade gold values continue to be encountered in the diamond drilling program at the Heino-Money pit area on the Tillicum Mountain Property of Esperanza Explorations Ltd. and La Teko Resources Ltd. Hole S82-6 cut 15.8 feet assaying 1.182 oz. gold per ton plus 0.53 oz. silver per ton (see detail in table below). This intersection is 50 metres (165 feet) north of the previously reported high grade gold values in drill holes S82-1, S82-2 and S82-3. Hole S82-8, drilled from the same location as S82-6 but swung further to the north, also intersected the zone, some 8 metres (26 feet) further to the north than the S82-6 intersection. S82-8 cut 13.5 feet assaying 0.28 oz. gold per ton.

Surface trenching and sampling at approximately 20 metre intervals has indicated the Heino-Money pit area to have a minimum length of 137 metres (445 feet). This zone has yielded an average grade of 1.544 oz. gold per ton over an average width of 2.15 metres (7 feet). This Heino-Money pit zone has a further minimum 100-foot extension indicated to the south and is part of a larger zone of trenches which extend for some 850 metres (2,800 feet) north-south.

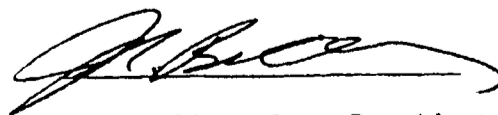
Assay results are awaited from holes S82-7 and S82-5. This latter hole is of particular significance since it is the first test of the Jenny pit which is 250 metres (750 feet) north of the Heino-Money pit, and within the overall series of trenches.

Drilling is progressing at a much faster rate than expected, with 17 holes now completed. All recently drilled holes have intersected projections of the Heino-Money pit, Jenny and Eastridge zones to depth. Assay results received to date and reports on visual inspection of cores from the Tillicum gold property are considered extremely encouraging. Further assays from additional holes will be reported shortly. One drill rig, provided by Drilcor Industries Ltd., will continue to drill on the property for the balance of the season.

DIAMOND DRILL HOLE NO.	INTERVAL (Meters)	WIDTH		GOLD oz/ton	SILVER oz/ton
		(Meters)	(Feet)		
S82-6	2.13 - 6.95	4.81	15.8	1.182	0.53
HEINO-MONEY PIT ZONE	including 3.78 - 4.24	0.46	1.5	11.175	3.7
Dip: -30° Azimuth: 085°	and 6.10 - 6.25	0.15	0.5	1.92	1.55
Total Depth	31 meters				
S82-8	8.38 - 12.50	4.12	13.5	0.28	Pending
HEINO-MONEY PIT ZONE	including 8.38 - 10.36	1.98	6.49	0.50	
Dip: -45° Azimuth: 017°					
Total Depth	40 meters				



John S. Brock, President  
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La Teko Resources Ltd.

This progress report has been prepared by the company officers signed above, who accept responsibility for its content. The Vancouver Stock Exchange has neither approved nor disapproved the content of this report.