

Golden North ends first year of operation since amalgamation

VANCOUVER, British Columbia—Golden North Resource Corp. has completed its first year of operation since the amalgamation of its predecessor companies. Grove Explorations Ltd., Rosmac Resources Ltd., and N.W.P. Resources Ltd. The company has a strong cash position of over C\$1.5 million, the French mine gold property, an investment in the common shares of Good Hope Resources Ltd., and several producing oil and gas properties as well as leasehold acreage throughout North America.

In July 1985 Golden North entered into an exploration agreement with Placer Development Ltd., with regard to Golden North's optioned mining claims on **Nickel Plate Mountain near Hedley, British Columbia**. The agreement grants to Placer the right to earn a 75 percent interest in these claims and to conduct and direct the exploration and development program. To earn its interest in the claims, Placer must make cash payments totaling C\$400,000 to Golden North, expend C\$750,000 in exploration and development, and complete a feasibility report by May 31, 1990.

Golden North holds an option to purchase 100 percent ownership in 11 Crown-granted and five located mineral claims near Hedley, British Columbia. The property contains a series of flat-lying, gold/copper-bearing skarn beds, segments of which were mined prior to 1961. More than 52,000 ounces of gold were produced during that period. The French mine contains undevel-

oped mineralized zones and the possibility of extension on the mined zones. In 1983, 4,368 tons of ore was mined and milled, yielding C\$396,955 in net smelter returns.

In July 1985, Golden North entered into the C\$1.15 million exploration agreement with Placer Development, and during this past summer Placer carried out an extensive exploration program involving grid construction and baseline development. Geochemical soil samples were collected along this grid and all samples assayed for gold, silver, arsenic, copper, and molybde-

num. Placer conducted magnetometer and VLF-EM surveys, with all lines checked for outcrop, mapped, and analyzed accordingly.

Data from this work is currently being correlated with a similar program that was completed last year on the adjoining Good Hope ground. The intent of the program is to define a series of drill targets for further investigation.

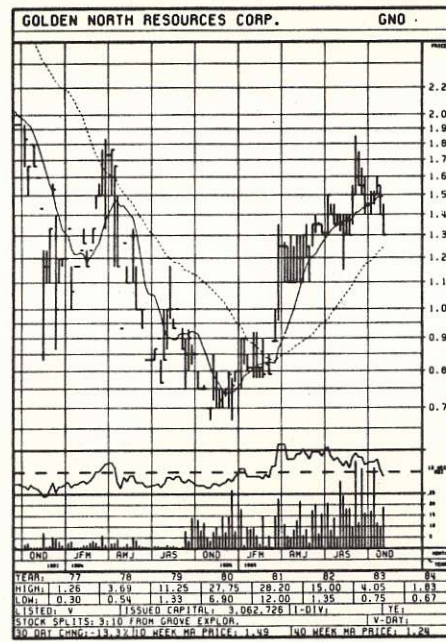
Golden North owns 660,000 shares of Good Hope Resources Ltd., which represents 34 percent of the outstanding capital and thus constitutes effective control of the board of Good Hope. This investment, plus the cash position of Golden North, translates into a current market value of approximately C\$3.5 million, or C\$1.15 per common share of Golden North.

Good Hope's 100 mineral claims on Nickel Plate Mountain are the subject of a C\$2 million exploration and development agreement, also with Placer Development. The Good Hope claims adjoin Golden North's French claim group and Mascot Gold Mines' potential open pit mine. Good Hope's claims contain three gold mines that

produced 257,796 ounces of gold from 694,408 tons of ore at an average grade of 0.37 ounces of gold per ton, in the years 1935 to 1950. The company also has more than C\$1.1 million in cash and a five percent working interest in the Carstairs Elton producing natural gas well.

Despite soft oil and gas markets, President John S. Godfrey says Golden North maintained its position in all its producing oil and gas properties and leasehold acreage. The company participated in four farmouts that resulted in one successful gas well. Management is currently evaluating, for acquisition, some substantial oil and gas production purchase opportunities to strengthen the company's asset base and cash flow potential.

The board of directors is confident that the current exploration and development programs, the control position in Good Hope Resources Ltd., and improving oil and gas markets will all significantly contribute toward increasing the value of the company's shares in the ensuing year. ✖



Belmoral receives approval for creditor, amalgamation proposals

TORONTO, Ontario—Additional favorable news continues to emerge from Belmoral Mines Ltd. on their efforts to get the company back on a solid financial foundation through restructuring and refinancing. The company announced its creditors have accepted a company proposal that will satisfy their claims, and reports approval of the proposed amalgamation of Bras d'Or Mines Ltd. as a wholly owned subsidiary of Belmoral.

Approximately C\$1.15 million will be paid in cash and approximately 950,000 common shares will be issued to creditors under the terms of the proposal.

Kenneth S. Dalton, Belmoral executive vice president, says the required majority of Bras d'Or shareholders have approved the amalgamation of the two companies at a meeting held recently.

Under the terms of the amalgamation, Bras d'Or, presently 39 percent owned by

Increased gold production boosts Glamis Gold's first quarter results

VANCOUVER, British Columbia—
Glamis Gold's first quarter results

Cash flow for the period was C\$0.30 per share and working capital stood at