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NEWS RELEASE

SEPTEMBER 30, 1986

**TRADER RESOURCE CORP.
ANNOUNCES \$10 MILLION DEVELOPMENT FINANCING**

VANCOUVER, B.C. -- Trader Resource Corp. today announced that it has reached an agreement on the basic terms of a joint venture with Montagu Mining Investments Ltd. ("MMI"), a subsidiary of Samuel Montagu & Co. Ltd.

The basic terms of the agreement are as follows:

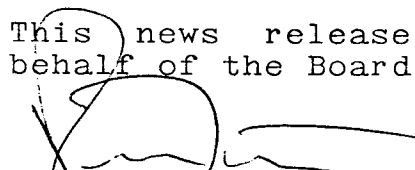
1. MMI will expend \$10 million on development of the Tel Gold-Silver Deposit through to production;
2. MMI will earn a 49% undivided interest in the Tel Deposit;
3. MMI is granted an option to earn a 25% interest in the Discovery and Kim Deposits. The Tel, Discovery and Kim Deposits are located within the Company's Yellow Giant Project at Banks Island, B.C.;
4. cost overruns to a maximum of \$3.5 million will be provided by MMI, to be repaid from production;
5. a Joint Management Committee will be formed by Trader and MMI to manage the project.

The financing will not include the issue of any shares of Trader. Total capital costs for bringing the Tel Deposit into production are currently estimated at \$9.55 million.

In making the announcement the President of Trader, Tadeusz F. van Wollen, stated "This agreement means that our shareholders can feel confident the Tel Deposit will be put into production and that the Company will have additional funds for development of the Discovery and Kim Deposits."

The implementation of the agreement is subject to ratification by the Board of Directors of both companies and regulatory approval.

This news release has been prepared by the undersigned on behalf of the Board of Directors.


PETER G. MATTHEWS
SECRETARY-TREASURER

The Vancouver Stock Exchange has neither approved nor disapproved the contents of this news release.