

Drilling on Trader's Yellow Giant gold property is nearing completion

BANKS ISLAND, British Columbia—The diamond drilling program underway on Trader Resource Corp.'s Yellow Giant gold property located on Banks Island near Prince Rupert, British Columbia should be completed in December.

The program is expected to expand high-grade reserves on the extensions to known high-grade deposits on the 7,414-claim property. The project area contains at least 11 gold deposits.

Robert Dickinson, president and director, says "We anticipate by the end of the program we will have gotten to the point where production plans can commence."

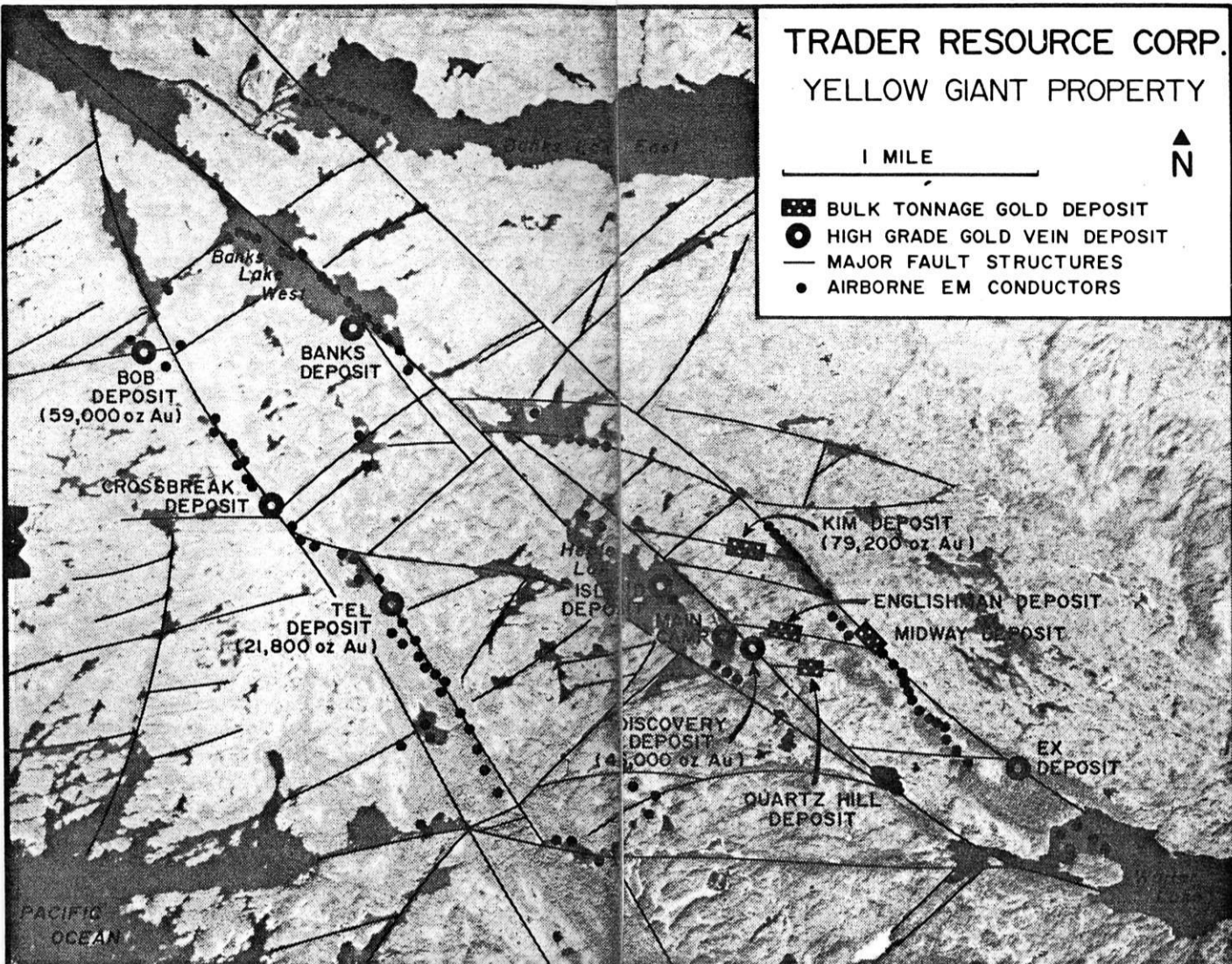
The company successfully arranged a flow-through share private placement of C\$1 million, to be completed shortly, all for the drilling program on the property.

Trader is a public, precious metals development company headquartered in Vancouver, British Columbia. It was formed in 1983 to acquire, finance, and develop the Yellow Giant gold project.

The Banks Island gold zone was discovered in 1960 by Ventures Ltd. (which later merged with Falconbridge Nickel Mines Ltd.). Banks Island was virtually unprospected and unmapped and was believed to be favorable for exploration because of the existence of large and well-exposed fracture systems in lightly overburdened bedrock. A lode consisting of quartz veins in granitic rock was noticed at a structural intersection. The lode itself turned out to be only weakly mineralized, but a gold-bearing vein—the Discovery zone—was located and four Banker mineral claims were staked to cover it. A camp was set up at nearby Hepler Lake.

Prospecting resulted in the discovery of additional gold-bearing zones, all of which were covered by the Banker groups of mineral claims. These included the Kim zone and the Bob zone. Several of the deposits were preliminary tested with light diamond drills. Prospectors for McIntyre-Porcupine Gold Mines Ltd., following staking, discovered several gold-bearing outcrops collectively known as the Tel zone.

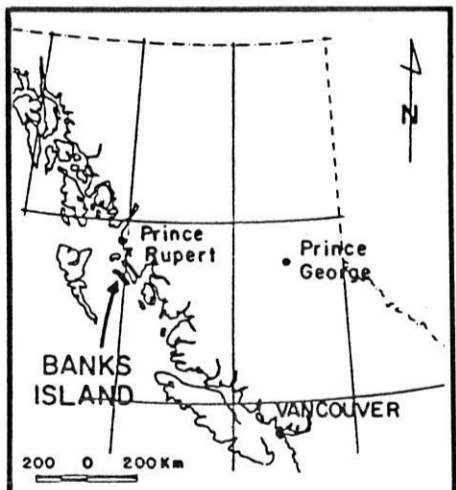
Venture's drill programs concentrated on the Discovery and Kim zone deposits, but



The overlaid aerial photograph depicts fault structures, veins, bulk tonnage gold deposits and geophysical anomalies. Drilling should be completed sometime in December.

limited shallow drilling was done, with lighter drills, on the Bob, Englishman, Banks Lake, Ex, Waller Bay, Waller Lake, and Quartz Hill zones which totaled 1,572 feet. Numerous trenches were dug or blasted and geochemical and geophysical grids were made over 13 areas.

McIntyre Mines Ltd. drilled 26 packsack holes totaling 1,762 feet on their four Tel claims in 1965. These were purchased by Sproatt Silver Mines Ltd. in 1975, during which year the latter completed an addi-



The above map shows the location of the Yellow Giant gold property on Banks Island, British Columbia.

sive review of previous work by Falconbridge Nickel Mines, McIntyre Porcupine Mines, and Sproatt Silver Mines/Hecate Gold Corp. This review, plus numerous independent studies on specific production concerns, were used in compiling a prefeasibility report that defined the general parameters of Trader's exploration program.

A field program was initiated on February 16, 1984, consisting of backhoe trenching, soil sampling, induced polarization orientation, detail geological mapping, line cutting, prospecting, airborne electromagnetic (Dighem) and magnetic surveys, camp rehabilitation, self potential surveys, relogging old diamond drill core, legal survey of claim posts, metric survey hub establishment, accurate transit and chain survey, diamond drilling, and dewatering the Bob deposit decline.

Of the 11 major gold occurrences presently known, four have been sufficiently developed to allow ore reserve calculations which were done by International Geosystems Corp.

Deposit	Tons	Oz Au/t
Kim	1,100,000	0.072
Bob	50,000	1.17
Discovery	100,000	0.46
Tel	24,000	0.91

Trader's drilling established that these deposits remain open to reserve expansion. The seven other major occurrences require drilling to develop reserves. Surface surveys have identified further targets for drilling throughout the property, many of which are adjacent to known deposits.

All deposits are controlled by a well-developed, deep-reaching fault and fracture system within older metasedimentary and granitic intrusive rocks. Disseminated gold deposits occur within shears and fracture systems in granitic intrusive rocks, while high-grade veins are fault controlled with-

tional 3,274 feet of drilling in 16 holes.

In 1976, Falconbridge Nickel Mines Ltd. completed 3,707 feet of drilling in 11 holes, including fill-in on the Bob zone, extension of the Englishman zone, and exploratory holes on the Crossbreak and Con or Foul Bay zones, bringing total Falconbridge/Ventures/McIntyre/Sproatt surface drilling in the general area to approximately 30,000 feet in about 200 holes. Also, several additional geochemical grids were established and sampled in that year.

Since acquiring this large property in 1983, Trader has completed a comprehen-

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The Beaver St. Lawrence in Noranda mine pit.



Interresources well perforated

SAN ANTONIO, Texas—Interresources Inc. reports that the Welch-Reichardt #1