

THIS MATERIAL IS FOR THE CONFIDENTIAL USE OF M.E.M.P.R. ONLY

## EXPLORATION NEWS FLASH

September 29, 1989

### GOLD DISCOVERY AT RED MOUNTAIN (INCL. WILLOUGHBY CREEK)

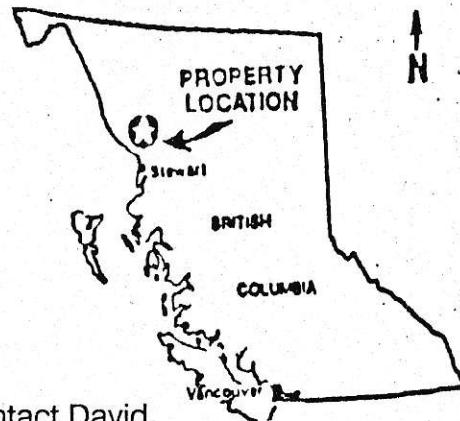
**PROPERTY:** RED MOUNTAIN PROJECT  
(INC. WILLOUGHBY CREEK)

**COMMODITIES:** Au, Ag

**ACCESS:** Helicopter only (From Stewart)

**OWNER:** Bond International Gold 100% plus option agreement with Chuck Kowal (Prospectors on B.C. Gov't FAME Program).

**OPERATOR:** Bond Gold Canada Inc. - Vancouver Office - contact David Kennedy (Tel: 687-7091). Toronto Office - contact David Malloy (Fax: 416-947-1257).



**CORPORATE LINKS:** Bond International Gold Head Office in Denver, Colorado, - a major international gold producing company with mining interests in North and South America and Australia.

**DEVELOPMENT REGION:** North Coast

**EXPLORATION BUDGET:** 1989-90 \$2.0M

**EXPLORATION STATUS:** Brand new discovery - surface work, accelerated diamond drilling (25 holes), 2 machines, geological mapping, geochemistry, and geophysics.

**CLAIM STATUS:** Staked or optioned approx. 3600 units covering approx. 225,000 acres.

**MDRP STAGE:** 0

**MINFILE NUMBER:** New discovery (needs number)  
10 Km WNW of MI 1039006.

**NEWS ITEM:** Release from Denver, Colorado on September 29, 1989. Brand new discovery (Red Mountain) located 45 Km east of Stewart. Best drill interested assay to date (from 13 holes) yielded 66 meters (216.5 ft.) grading 9.88 grams of gold per tonne (1.44 opt.). Discovery consists of two steeply dipping zones which intersect each other on surface. Strike lengths have been traced on surface over 500 meters. Visible gold is present. Six Km east of Red Mountain on Willoughby Gosson Zone, 10 drill holes intersected significant gold mineralization with the best intersection being 20.5 meters (67.3 ft.) grading 24.98 grams of gold per tonne (0.73 opt.) and 184.21 grams silver per tonne (5.37 opt.). A number of other zones of gold mineralization have been identified.

**ISSUES:** -To early to assess.

**REMARKS/IMPLICATIONS:**

- Unusual for a major company like Bond to make a News Release (i.e. must be confident/excited).
- Brand new discovery in a very underexplored region.
- Sample submitted by Schroeter (Jan. '88) assayed 77.5 ppm gold (2.26 opt.), 37ppm silver (1.08 opt.), 0.13% Cu, 3.43% Pb, 7.15% Zn, 8.1% Ag and 308 ppm Sb. Result lead in part to option agreement between Kowall and Bond Gold.
- Area is nearly completely covered by glaciers.
- Gold/Silver intersections in drill core are over long intervals (e.g. up to 142 metres.).
- Property geology not well known but may have similarities to Eskay Creek i.e. volcanics with "massive sulphides" and epithermal - veins.
- Bond plans to continue drilling until winter conditions force them out.
- Dealing with a very large area.
- Bond has been almost the only company in this immediate area. Others will surely follow.
- A portion of the claims cross the Stewart-Meziadin Highway, along which a power line has recently been constructed.
- Another great boost for the town of Stewart.
- Expediting done from Smithers.

**MINISTRY CONTRACT:** Tom Schroeter  
Senior Geologist  
Vancouver, BC  
Tel: 660-2812

-Plan to visit project mid-late Oct. (if still there).

\_\_\_\_\_ **CONFIDENTIAL** \_\_\_\_\_