

**CONSOLIDATED GOLD CITY MINING CORPORATION****OLD NICK PROJECT - FACT SHEET****OCTOBER 1997**

Joint Venture:	Applied Mine Technologies Inc. (AMT) has the option to acquire a 70% joint venture interest in the Old Nick Proj Gold City Mining Corporation (50%), Phoenix Gold Resources Ltd. (25%) and Orion International Minerals Corp. by spending \$8.0 million in exploration and development by December 31, 2000. At January 1997 AMT had ear 5% interest	
Location:	Adjacent to Highway No. 3 near Rock Creek in the famous Boundary Gold Fields, 36 kilometres east of the town Osoyoos, British Columbia, Canada	
Regional Metal Production:	More than 6.0 million ounces of gold have been produced from the region: Battle Mountain Gold Company's Cro Jewel deposit (1.8 million ounces of gold), located only 10 kilometres south of Old Nick, is scheduled for product 1998. Also, significant copper has been produced from the nearby Buckhorn Mountain and Greenwood camps.	
Old Nick History:	The deposit area was prospected for gold during the 1850's when Rock Creek was an active placer gold camp. However, it was not until the 1960's that the deposit was explored for its nickel and cobalt potential. At that time Mines Ltd. and Newmont Mining Corp. of Canada Ltd. did extensive drilling, trenching and metallurgical testing, relinquished the Property because of poor metallurgical (flotation) results, but did recognize the potential for pos future deposit development by leaching, subject to advances in hydrometallurgical technology.	
Land Package:	88 contiguous mineral claim units (2,100 hectares)	
Mineral Inventory:	Measured & Indicated:	30 million tonnes at 0.2% nickel & 0.01% cobalt
	Inferred:	15 million tonnes at 0.2% nickel & 0.01% cobalt
	Potential:	+70 million tonnes of similar Ni/Co grades
Metallurgy:	Bench scale and large column leach testing of nickel/cobalt bearing samples from surface and subsurface (diam core) by AMT in 1995 and 1996 indicates that there is potential for economic recovery of nickel and cobalt by on leaching, solvent extraction and electrowinning. The deposit is very "clean" as it contains no deleterious trace m The JV Participants are encouraged by the recent announcements made by Cominco Ltd. and Dominion Mining in regards to multi-element leaching, solvent extraction and electrowinning - we are convinced this is rapidly dev technology that will revolutionize the industry over the next 25 years. All indications are toward low capital costs, operating costs and environmental superiority over conventional pyrometallurgy.	
Exploration Targets:	The Main Zone requires additional trenching and drilling along strike and down-dip, as mineralization is open in t directions. There are mineralized outcrops and nickel-in-soils anomalies over several kilometres east and west Main Zone. AMT is also exploring other Ni/Co properties which have been staked by the JV in Southern B.C.	
Exploration (1997):	Main zone development will be continued by trenching and drilling while geochemical and Induced Polarization will be extended beyond the Main zone to better define potential new deposit targets. Metallurgical work will con and subject to permitting may be advanced to pad preparation for a trial heap leach.	
Environment:	The deposit is located on a gently rolling hill one kilometre south of Trans-Provincial Highway #3 and within 5 kil of the Canada/USA boundary. The mineral claim area has been actively logged in recent years and has an exte network of logging roads. The region is one of the hottest and driest climates in Canada - Osoyoos boasts of ha only desert in Canada. Mining, ranching and logging are historic and on-going enterprises in the region. Hallam Piesold Ltd. in a 1997 report on permitting concluded that the project should be permitable if the proposed devel is carefully planned and strictly monitored. The dry climate will facilitate closed-circuit operations, with no proces discharge to the environment.	
Infrastructure:	Mainline power and natural gas parallels the northern boundary of the mineral claims, 3 kilometres from the Mai Industrial and social services are located within the nearby towns of Bridesville, Rock Creek, and Osoyoos.	
Economic Potential:	The Project has the potential to produce high purity nickel and cobalt on-site using conventional technologies in innovative combination of heap leaching, solvent extraction and electrowinning. Conceptual studies show produ rates of 5 million tonnes of ore per year yielding 6.0 million Kg of nickel and 250,000 Kg of cobalt generating pre flow of C\$51.5 million per annum using a value of US\$3.70/Lb for nickel and US\$18.50/Lb for cobalt. Nickel pro	

cc. *Paul*
Bill
Mike Cathro

TALKER FOR CGD
January 1998

Paul
Bill
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Gold City's focus is mineral exploration and development in British Columbia. The province has an extensive mining history with good mineral discovery potential, good infrastructure (roads, power, communications), skilled workforce, and is CEE eligible (tax deductible to Canadian investor).

The Company has interests in 25,000 hectares of lode mineral lands in historic mining camps with significant precious metals production, including: Cariboo Gold Fields (lode and placer gold), Beaverdell (silver, lead, zinc) and Rock Creek (lode and placer gold).

The WelBar project in the Cariboo Gold Fields (historic production of 3.2 million ounces of gold) has sufficient high-grade gold resources to commence feasibility level work toward development of a 200 ton per day operation. Scoping studies indicate the potential for production of 29,000 ounces of gold per annum at a cost of US\$144 per ounce, which yields a solid return on investment (feasibility: C\$1.5 million, development: C\$4.0 million).

The Dell project in the Beaverdell camp (one of the top five silver producers in the province) is an exploration stage property which is immediately adjacent to Teck's old Highland Bell mine (historic production: silver: 35 million ounces, gold: 17 thousand ounces, lead: 26 million lbs., zinc: 31 million lbs.). The Property contains several trenches and drill holes that have yielded significant silver, lead, zinc, and copper, gold. Also, there are polymetallic soil geochemical anomalies that were identified in the 1980's and remain to be tested.

The Caramelia project at McKinney camp includes British Columbia's first dividend paying lode gold mine (82,000 ounces) the Cariboo-Amelia. The Project has a mineral inventory of 33,000 tons grading 0.75 opt gold, and several significant drill ready targets. The new Crown Jewel deposit (1.8 million ounces of gold) lies only 20 kilometers south-east along the same regional rock contact (Nelson plutonic rocks/ Anarchist metavolcanic and metasedimentary rocks). Big Blackfoot Resources Ltd. has an option to spend approximately C\$1.0 million over next three years to earn a 50% joint venture interest in the Project.

The Old Nick project, one of British Columbia's largest nickel, cobalt deposits, is located adjacent to Highway #3 near the village of Rock Creek. Scoping studies indicate the potential to produce high-quality nickel and cobalt from large-scale open pit heap leach operations. Metal recovery would be via solvent extraction and electrowinning (SX-EW). Studies indicate that a 13,500 tonne per day leaching operation could produce 6.0 million kilograms of nickel and 250 thousand kilograms of cobalt per annum at a cost of US\$1.20 per pound of nickel (net of cobalt at US\$18.50/lb.). Applied Mine Technologies Inc. has an option to earn an 85% joint venture interest in the project by spending C\$7.75 million over the next three years.

The Rock Creek project is an exploration stage property located adjacent to the International Boundary, and only five kilometers north-west of the Crown Jewel gold deposit. Several surface gold showings have been discovered and drilling has returned two best holes: 11 feet grading 1.52 ounces of gold per ton, and 20 feet grading 0.29 ounces of gold per ton. Several excellent drill targets, based upon surface showings and geophysics remain to be tested.

Gold City is well positioned near infrastructure with its portfolio of advanced stage Central and Southern British Columbia mineral projects. The CGD story will become exciting as: (1) Big Blackfoot and Applied Mine Technologies advance the Caramelia and Old Nick, (2) the Dell project is optioned for its silver potential, (3) the British Columbia government becomes "pro-business", and (4) funds are raised to advance the WelBar to feasibility.

Visit Gold City's Internet Website: www.goldcitymining.com

MINERAL EXPLORATION GROUP, SOCIETY
CALGARY, ALBERTA

JUNE 4, 1998 LUNCHEON MEETING
11:30 AM
CONFERENCE CENTRE
PLUS 30 LEVEL BOW VALLEY SQUARE 2

**THE OLD NICK PROJECT
(ABSTRACT)**

Large tonnage, low grade nickel sulfide deposits have never been exploited hydrometallurgically, as has been the case with copper deposits. The Old Nick is one of British Columbia's largest sulfide nickel, cobalt deposits. It has gross contained metal values, in \$/tonne, that exceeds those of all the major copper mines in the province. The deposit is located adjacent to Trans-Provincial Highway #3, 38 kilometres east of Osoyoos and within 5 kilometres of the international Boundary; very near Battle Mountain Gold Company's Crown Jewel gold deposit (1.8 million ounces).

Recently available process technologies include: bioleaching, pressure leaching and new reagents for solvent extraction and ion exchange for nickel and cobalt recovery.

This presentation will focus on the exploration and process development studies to date, which indicate positive development potential on a large scale as an open pit heap leach operation with processing by solvent extraction and electrowinning.

The Old Nick deposit is owned by Applied Mine Technologies Inc. (52.5%) and Consolidated Gold City Mining Corporation (47.5%).

TO BE PRESENTED BY: FRANK WRIGHT, P.ENG. (METALLURGICAL ENGINEER)
Project Manager, Applied Mine Technologies Inc.
JOHN CHAPMAN, P.ENG. (MINING ENGINEER)
President, Consolidated Gold City Mining Corporation