



LYSANDER GOLD CORPORATION

Quesnel Trough & Au/Cu Porphyry Deposits

CAT Mountain

*Another major
gold/copper discovery
in British Columbia*



*A joint venture with
BP Resources Canada Limited*

Summary

Formed and listed on the Vancouver Stock Exchange in 1987, Lysander Gold Corporation expects to become a significant producer of gold in the 1990's. Exploration with joint venture partner BP Resources Canada Limited is proceeding at an accelerated pace

on the CAT/BET Claims in north central British Columbia with the objective of developing a major open pit gold/copper deposit similar in scope to that being developed at Mt. Milligan by Continental Gold Corp/BP Resources Canada Limited.

Background

Mt. Milligan is a name which has recently renewed great interest in gold/copper deposits in central British Columbia. Now, Lysander Gold's CAT/BET Claims comprise another prospect which is attracting increasing geological and investor interest.

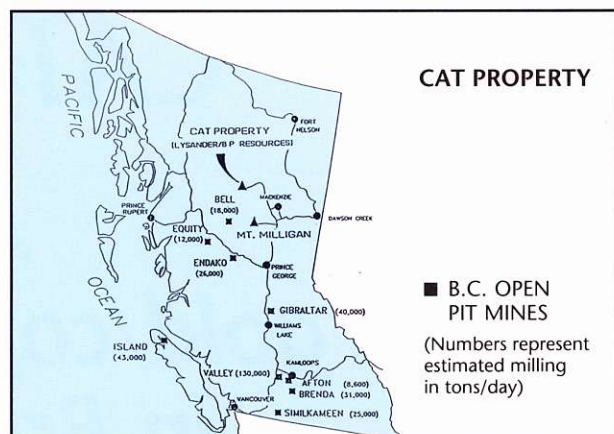
The CAT/BET property hosts a gold/copper prospect with the geological features characteristic of the Mt. Milligan deposit, situated approximately 80 miles to the southeast.

Just as the Mt. Milligan project has clearly put Continental Gold Corp. on the map as a planned world-class gold producer in the next three years, the same sort of potential appears to lie ahead for Lysander.

The Mt. Milligan deposit covers an area of approximately 4,000 feet by 2,600 feet and ranges to a depth of 1,300 feet. The current drill indicated reserves are 290,000,000 tons averaging 0.016 oz/ton gold and 0.19% copper. The adjacent Southern Star deposit is about half this size, covering an area of approximately 4,300 feet by 1,000 feet and remains open past its current depth of 1,000 feet. The current drill indicated reserves here are 150,000,000 tons averaging 0.011 oz/ton gold and 0.23% copper.

Lysander's land position in the area comprises more than thirty square miles around Cat Mountain, situated along the Quesnel Trough, a rich mineral belt running in a northwesterly direction up the central spine of British Columbia.

Au/Cu Porphyries Characteristics		Mount Polley	Mount Milligan	Cat Mountain
Magnetics:	Strong discreet magnetic anomalies (air and ground)	✓	✓	✓
Geochemistry:	Good multi-element geochemical expression including copper and gold	✓	✓	✓
Multiple Ore Bodies:	Often large (+ 100m tons)	✓	✓	✓
Peripheral:	Gold/Magnetite replacement loads	✓	✓	✓
Sulphide Systems:	Good IP response	✓	✓	✓



Mt. Milligan's 440 million ton deposit is estimated to contain more than 6,300,000 ounces of gold and 900,000 tons of copper, making it one of the world's largest gold/copper discoveries in recent years. Production, planned to start in 1993, is expected to average 60,000 tons per day. With current reserves, the mine would have a life of 15 years.

Some of Canada's newest, and richest, gold/copper discoveries as well as major historic producers also lie along this important geological structure. These include the Princeton, Afton, Mt. Polley, Q.R., as well as the Mt. Milligan gold/copper deposits. Several hundred kilometres to the northwest, the Quesnel Trough curves back to the south to become the Stikine Arch.

Property Description

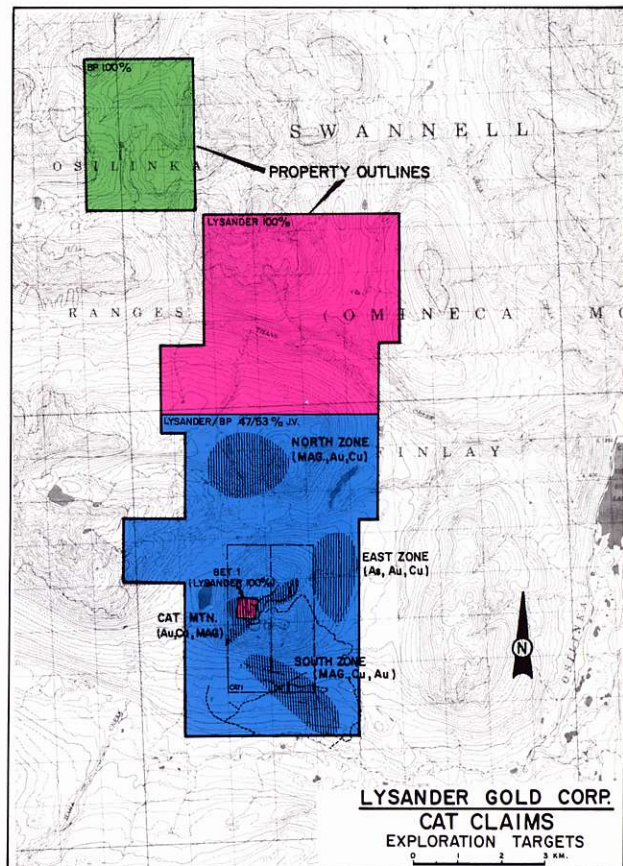
The CAT/BET Claims lie approximately 125 miles northwest of Fort St. James in the Omenica Mining Division. Access to the area has recently been improved as a result of growing logging activity which has significantly increased the number and quality of roads.

Additional staking during 1989 increased Lysander's claim holdings in the area from four square miles to 31 square miles. The Company's holdings are located on and near Cat Mountain, northwest of Uslika Lake in a geological setting similar to the large tonnage Mt. Milligan discovery of Continental Gold and BP Resources Canada Limited.

The CAT Property, which contains all of the classic geological features, demonstrates an outstanding response in copper and gold and other trace elements. Trenching of gold/copper geochemical anomalies has demonstrated ore grade material in bedrock underlying these anomalies.

A joint venture agreement with BP Resources Canada Limited was executed in May 1990 whereby BP becomes the operator of the joint venture on the following claims: Cat 1-9, Cat 11, 5 units of the Cat 12, 5 units of the Cat 10 and the Betty claims totaling some 31 square kilometres. The interests in the joint venture are BP 53% and Lysander 47% respectively. Lysander, in addition, retains a 100%

interest in the BET claim, most of the Cat 10, Cat 12 and all of the Cat 13-15 claims which total approximately 21 square kilometres.

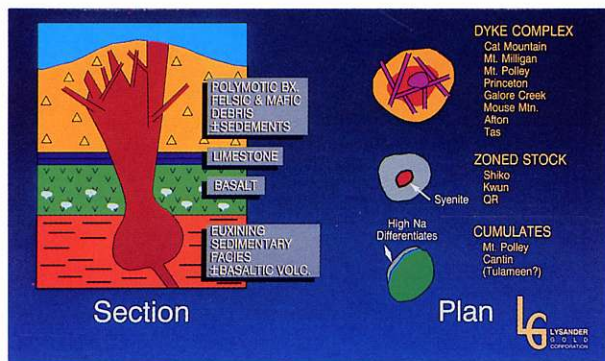


CAT
MOUNTAIN
British
Columbia

History of the Area

The porphyry gold/copper deposits of British Columbia are increasingly being recognized as an important source of gold. In light of recent developments at Mt. Polley and Mt. Milligan, it is thought that the region may eventually rank in importance with Nevada's Carlin Trend as to possible gold reserves.

The Cat property was first examined for lode gold in the 1950's and for copper in the 1970's. Work conducted included hand trenching and limited diamond drilling. The main targets tested were



Alkali Au - Cu Porphyry Model

narrow magnetite veins containing up to 30 grams per tonne gold. The BET 1 claim was staked in 1971 to cover one of these high grade veins. A regional exploration program conducted by BP in 1973, identified streams anomalous in copper in the vicinity of Cat Mountain. The Cat Claims were subsequently staked in 1975.

The first discovery of widespread gold on the Cat property, was made in 1984 by Dr. S. J. Hoffman. Using the geological model developed from the Mt. Milligan exploration program conducted over the past four years, Lysander is finding results which lead management to believe that similar potential exists on its CAT/BET Claims.

In addition to Mt. Milligan, two similar alkali porphyry gold/copper deposits south of Lysander's claims have reached the feasibility stage. Mt. Polley, a joint venture between Imperial Metals and Corona Corporation, shows reserves of 2,000,000 ounces of gold and 875,000,000 pounds of copper distributed over five ore bodies. The smaller Q.R. property of Placer Dome thus far shows gold reserves of some 200,000 ounces with copper as yet undetermined.

Finances

Lysander has been able to finance its share of the exploration work on its property through several private placements. A private placement completed in January 1990 with Teck Corporation, a major international mining company, attests to the significance of the project. Teck purchased 400,000 units at C\$0.50, which will give it a 13.2% interest in the Company, when all the warrants are exercised at C\$0.75 per share.

In addition, Teck has also been granted a right of first offer to provide capital in any future equity financing which Lysander may undertake to raise funding for additional work on the CAT/BET Claims.

With this type of sound financial backing, Lysander should have no problem in meeting its financial commitments for developing this property.

Recent Exploration Results

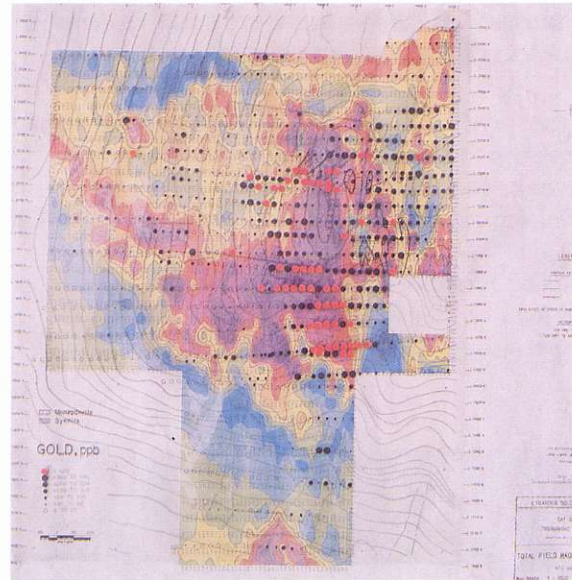
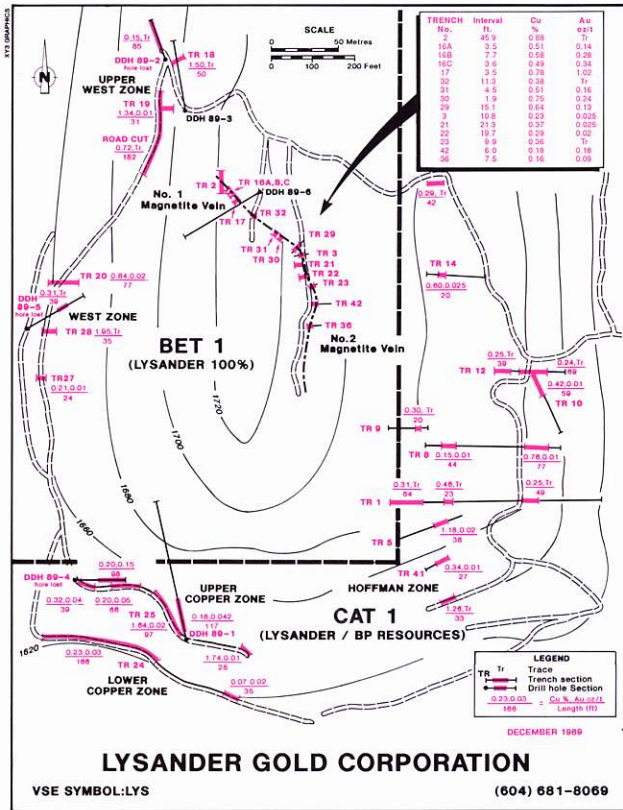
Lysander commenced exploration of gold anomalies on its properties during 1989. The exploration program consisted of four phases, and the claims were found to have outstanding mineral potential.

During the 1989 exploration season, trenching work opened significant widths of gold/copper mineralization. This followed aerial magnetometer surveys which defined prominent anomalies confirmed on the ground by geochemical surveys. The alkaline gold/copper porphyry intrusive on the CAT/BET Claims is very similar to the mineralization and geological settings at Copper Mountain, Afton, Mt. Polley and Mt. Milligan.

Seven NQ diamond drill holes totaling 1,811 feet were put down on the Cat and Bet properties during the year, also bringing results consistent with those at Mt. Milligan. A major area of gold/copper potential was identified near the top of Cat Mountain.

Drilling and trenching programs conducted on the property in 1989 were so successful the Company, with joint venture partner BP, have initiated a \$1.2 million exploration program in 1990.

The Cat Mountain program for 1990 will include a substantial amount of drilling. It is anticipated that significant new reserves of gold will be established in the area in the next few years, and the Lysander/BP property is expected to be among these reserves.



Gold Soil Anomaly on Magnetic Map

Management

The Company's management team is well experienced in all phases of mineral exploration, development and production.

ANDREW F. B. MILLIGAN (M.B.E., M.A.) Chairman; Director and formerly Chairman of Cornucopia Resources Ltd.; Former President of Glamis Gold Ltd.; Former President and CEO of T.R.V. Minerals Corporation.

LOU M. DUARTE (B.A.Sc., M.B.A., C.M.A.), President and Director; President of Mintax Placements Ltd.; Former President of Athena Gold Corporation; Former Executive Vice President of Operations of T.R.V. Minerals Corporation.

DONALD K. MUSTARD (Geological Engineer), Vice President of Exploration and Director; Consultant with D. K. Mustard & Associates; Director of Asamera Minerals Inc.; 1990 President of Canadian Geoscience Council; Former General Manager of Exploration of B.P. Minerals Canada.

ARTHUR T. FISHER (Mining Engineer), Vice President of Mining and Director; President of Black Swan Gold Mines Ltd.; Former Vice President of Erickson Gold Mining Corp.

ROSS O. GLANVILLE (Mining Engineer, B.A.Sc., P. Eng., M.B.A., C.G.A.), Vice President of Finance and Director, President of Glanville Management Ltd.; Director of Black Swan Gold Mines Ltd., Director of U.S. Precious Metals Inc; Director of Centurion Gold Ltd.; Former President of Giant Bay Resources Ltd.; Former Vice President of Wright Engineers.

BRUCE A. KENNEDY (Mining Engineer) Director; Managing Director of Pelsart Resources N.L., Mincorp Petroleum N.L. and Pelsart Management Services; 1990 President of Association of Mining Engineers (A.M.E.); former President and CEO of Asamera Minerals, Inc.; former Senior Vice President of Asamera Minerals, Inc.; former President and CEO of Thyssen Mining Construction Inc.

Corporate Address

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Auditors

*Wong, Seims & Lee
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Transfer Agent

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Vancouver, B.C. V6C 3B9*

Bank

*The Bank of Montreal
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Vancouver, B.C. V7X 1L7*

Listing

Vancouver Stock Exchange: Symbol – LYS

Capitalization

*Authorized: 20,000,000 shares
Issued: 4,342,297*