

YUKON



REVENUE MINES LIMITED

"DEVELOPING IN THE STREAM OF PROGRESS" — GOLD • COPPER • SILVER • LEAD • ZINC • URANIUM

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October 6, 1982

Yukon Revenue Mines Limited (N.P.L.)  
Whitehorse, Yukon TerritoryAnnual Report to Shareholders

Due to the untimely passing on of our consultant, Mr. W. T. Irvine, we were left without written recommendations for procedures on our Atlin gold prospect, the H.C.F. claims group about which Mr. Irvine had been most enthusiastic, but he had given us verbal instructions to carry on with bulk sampling of the veins to establish grade; to be followed by a later program of short hole drilling to verify dip and strike, and continuity between exposures.

Bulk samples taken last fall were run during the winter and gave results as follows:

Vein B-1 - 0.75 oz. gold and 8 oz. silver per ton  
Vein B-2 - 0.2 oz. Au. with approximately 2 oz. Ag. per ton

This spring we cleared and established drill sites along the veins in preparation for a drilling program and attempted to raise finances by doing a rights offering.

Market conditions were such that this effort failed badly and cost us about \$15,000.00 while we raised only \$1,500.00. When it became obvious that we would have only a limited budget this year we concentrated our efforts by bulldozer trenching on our tungsten and tin prospects on Boulder and Ruby Creeks, and were able to enlarge the Quartz-Wolframite showings and uncover an impressive new Scheelite showing of considerable length on the Ruby Creek side.

A major oil company showed great interest in these new showings and took many samples which looked and lamped most impressively, but their assay's did not measure up to appearances.

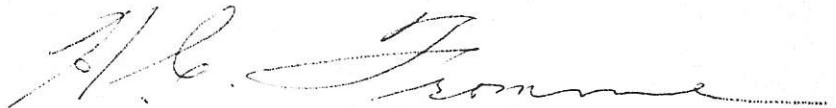
Their best sample assayed 0.69% W<sub>3</sub> across four meters; and they have informed us that they do not wish to make us an offer on the property even though they feel it has considerable merit.

Our north zone, Wolframite in Quartz, six samples taken across 2.6 meters over an exposure of 500' in length gave us an average of 1.23% W<sub>3</sub>.

On the other side of the coin, the oil property in Wyoming in which we have a small interest, along with several other junior companies, did a farm out to a Major who drilled a deep hole and came in with a producer. Not a big one, just 16 barrels a day, but the property is large enough to permit many more holes if it is deemed feasible. Our interest is carried at no further cost to us.

We also staked and did a geochem and geophysical on a potential moly. anomaly in the Boswell area of the Yukon. We hope that market conditions will improve and allow us to raise new funding for continuing programs.

Submitted on behalf of the Board of Directors of Yukon Revenue Mines Limited, by H. C. Fromme, President.

A handwritten signature in cursive script, appearing to read "H. C. Fromme", with a horizontal line extending from the end of the signature.