

# FAIRFIELD MINERALS LTD.

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NEWS FOR RELEASE:

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## E L K P R O P E R T Y

Southern British Columbia

Siwash North Gold Deposit

### BUYOUT AGREEMENT WITH PLACER DOME INC.

Fairfield has acquired 100% interest in the Elk gold property by purchasing the 50% interest held by Placer Dome Inc. Fairfield has agreed to pay Placer 10% of Net Proceeds to a maximum \$2.5 million from production. The net proceeds interest can be purchased for \$1.3 million at any time prior to December 31, 1993.

Results from surface sampling and drilling of 70 holes (20,000 ft) in the Siwash North Gold Deposit indicate a resource of 148,000 oz gold and 150,000 oz silver derived from 234,000 tons grading 0.633 oz/ton gold and 0.64 oz/ton silver using a cut-off grade of 0.300 oz/ton gold over a 6.6 ft mining width. Five potential ore shoots have been identified within the mineralized vein system over a strike length of 2600 ft. These are hosted by highly competent rocks which will minimize mining dilution. The largest shoot is 250 ft by 600 ft and shows excellent continuity and uniformity of grade in drill holes and surface cuts. The shoots remain open both along strike and down dip. Fairfield is confident that this resource can be substantially expanded. A \$1.2 million program to include 25,000 ft of drilling is planned for 1991.

The Elk property is located between Merritt and Westbank, two miles by road from an exit on the Okanagan Connector Highway in southern British Columbia. This location allows full utilization of local infrastructure such as power, community facilities and an experienced labour force.

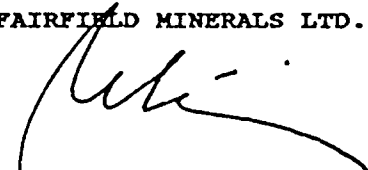
As part of the Elk purchase agreement Placer has released from option the Bank gold property contiguous with and to the south of Elk. This property is now owned 100% by Fairfield. Exploration has outlined several gold targets with similar signatures to the Siwash North Deposit.

Fairfield has recently acquired the Vin property contiguous with the Dill and Elk properties. This property has the potential to host a large tonnage copper/gold deposit(s). Placer has agreed to fund all expenditures to acquire a 70% interest.

The Company now owns ten properties (230 square miles) in the Merritt-Westbank area, two of which, the Vin and the Dill copper/gold properties, are under option to Placer Dome Inc. On the Dill property a potential large-tonnage copper/gold deposit has been indicated by geochemistry, geophysics and a few widespread diamond drill holes cored in the 1960's. A first phase \$400,000 program to include 6,000 ft of drilling will begin in June.

Fairfield has \$2.4 million cash, no debt, 5.1 million shares issued and is listed on the Toronto and Vancouver Stock Exchanges under the symbol FFD.

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By:  John W. Stollery, P.Eng.  
President