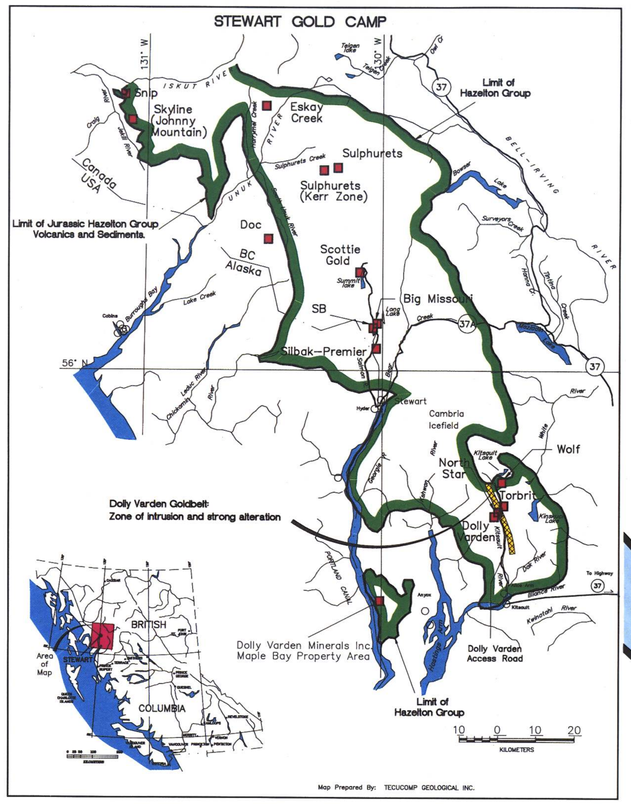
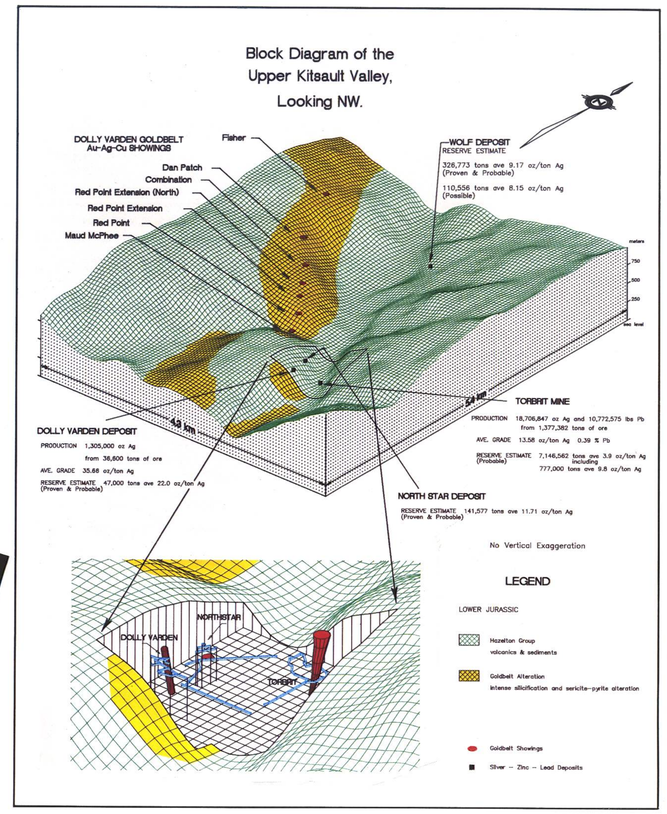
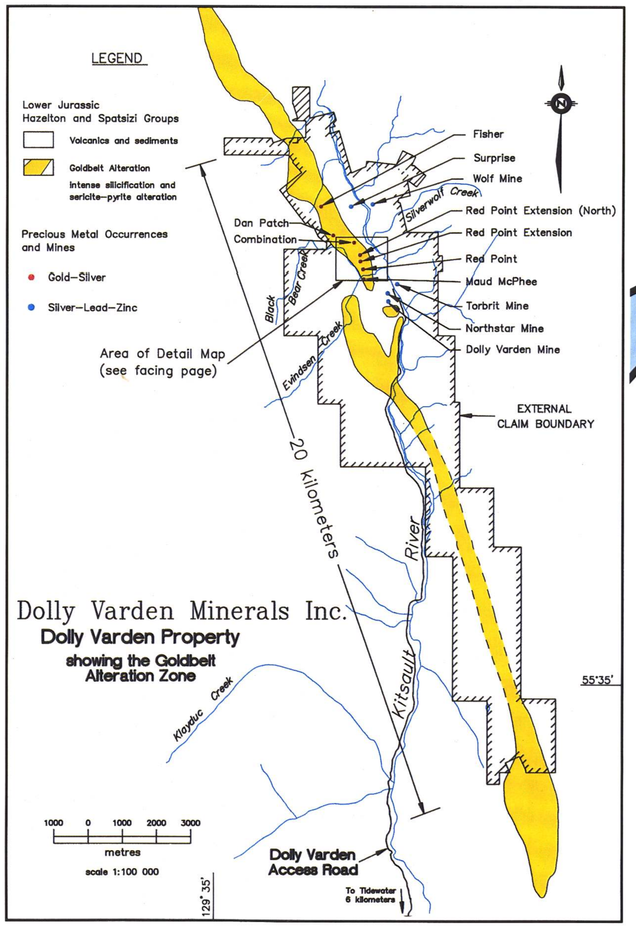
Dolly Varden Minerals Inc.

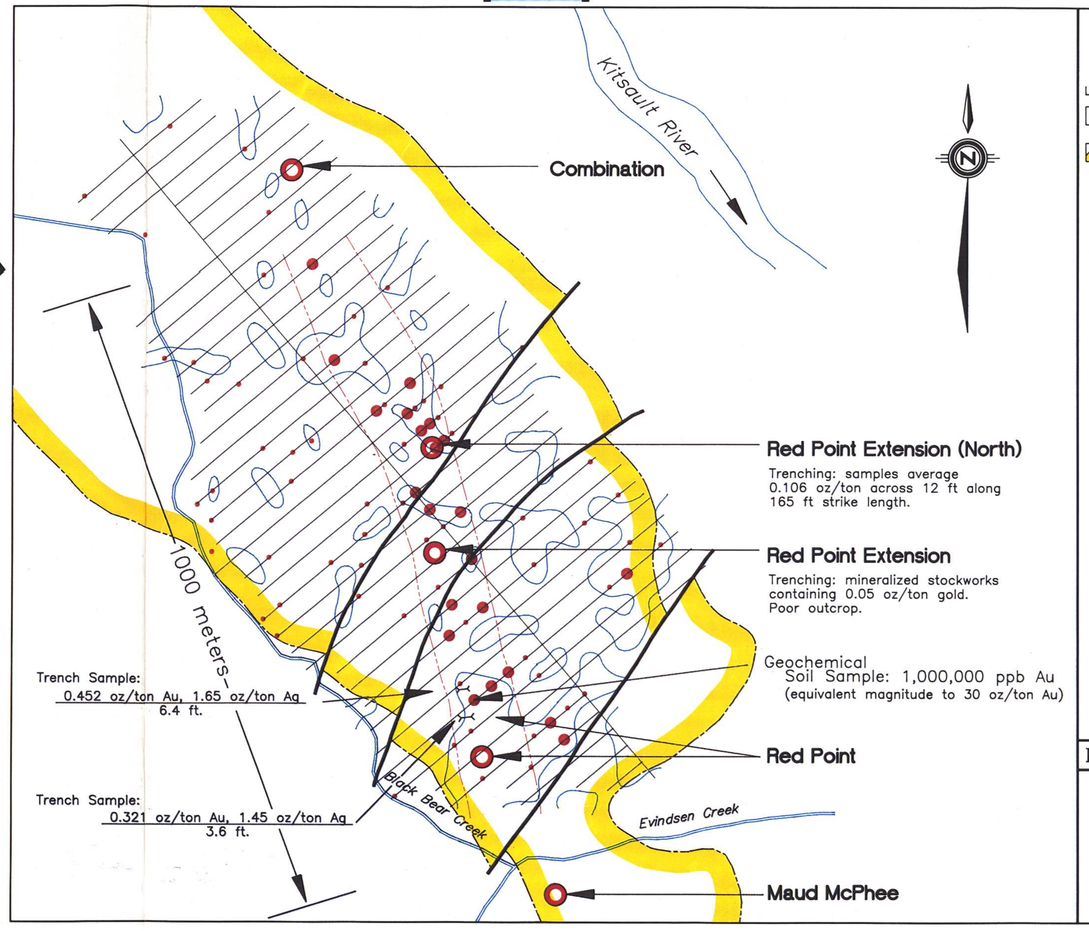


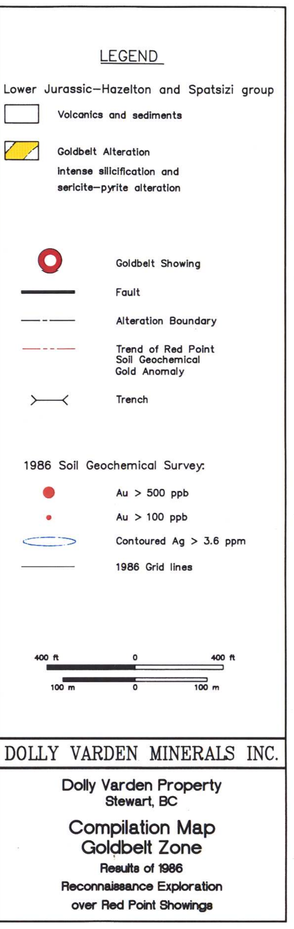
GOLD-SILVER DEPOSITS OF THE STEWART COMPLEX

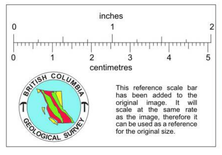
Deposit (Operators)	Status	Past Production/Reserves	Summary Geology
Snip. (Cominco, Delaware)	Underground exploration: Pre-feasibility.	Reserves (indicated & inferred): 1.43 million T; .62 oz/ton Au.	Mesothermal vein in a shoar zone within Hazelton or Spatsizi Group sediments.
Johnny Mtn. (Skyline)	Production start-up.	Reserves: 686,000 tons; .57 oz/ton Au.	Mesothermal stockworks and veins in Hazelton volcanics and sediments.
Eskay Creek. (Calpine)	Exploration: recent significant discovery.	Reserves: calculation of reserves in progress. Drilling results: Many good intersections, including CA 88-6 96.5 ft. of .73 oz/ton Au, 1.12 oz/ton Ag.	Volcanic-exhalative Au-Ag deposit in Hazelton volcanics. Very high potential for an open pit mineable deposit.
Sulphurets—Brucejack and West Zones, (Newhawk, Lacana, Granduc)	Underground exploration: Pre-feasibility.	Reserves (proven, indicated, inferred): 1.42 million T; .34 oz/ton Au, 20.17 oz/ton Ag.	Stockworks and veins in Hazelton volcanics and sediments.
Sulphurets—Snowfield Zone. (Newhawk, Lacana, (Granduc)	Exploration: On hold.	Reserves (inferred): 25 million T; .08 oz/ton Au.	Disseminated (porphyry-style) gold in an Early Jurassic intrusion.
Doc. (Echo Bay)	Underground exploration.	Reserves (Proven): 207,000 tons; .32 oz/ton Au, 1.38 oz/ton Ag. Reserves (Possible): 263,000 tons; .23 oz/ton Au, 1.35 oz/ton Ag.	Mesothermal vein of Jurassic (?) age in Upper Triassic volcanic basement rocks.
SB. (Tenajon, Homestake)	Underground exploration.	Reserves (indicated): 308,000 tons; .505 oz/ton Au, 1.07 oz/ton Ag.	Mesothermal to epithermal stockworks within Hazelton volcanics.
Premier Gold—Silbak Premier, Big Missouri. (Westmin, Pioneer Metals)	Open pit production start-up in summer 1989 at 2000 tpd. Capital cost $90 million	Silbak past production (underground); 4.6 million tons; 1.8 million oz Au, 41 million oz. Ag. Big Missouri past production (underground): 847,000 tons; 58,400 oz Au, 52,700 oz Ag. Open pit reserves: 6.4 million T; .07 oz/ton Au, 2.69 oz/ton Ag.	Stockworks and volcanic-exhalative mineralization within Hazelton volcanics. Big Missouri ore will be milled at the Silbak-Premier site.
North Star. (Dolly Varden)	Exploration.	Reserves (Proven and probable, D.M.B.W. 1981): 141,577 tons; 11.71 oz/ton Ag.	Volcanic-exhalative Ag-Pb-Zn in Hazelton volcanics. Possible same horizon as Torbrit.
Wolf. (Dolly Varden)	Exploration.	Reserves (Proven and probable, D.M.B.W. 1981): 326,773 tons; 9.17 oz/ton Ag. Reserves (Possible, D.M.B.W. 1981): 110,556 tons; 8.16 oz/ton Ag.	Volcanic-exhalative Ag-Pb in Hazelton volcanics and sediments.
Dolly Varden. (Dolly Varden)	Exploration; past producer.	Past production: 36,600 tons; 1.3 million oz. Ag. Reserves (Proven and probable, Skerl 1964): 47,000 tons; 22.00 oz/ton Ag.	Vein or possible volcanic-exhalative Ag deposit, in Hazelton volcanics. Production came from a small part of a very extensive mineralized zone.
Torbrit. (Dolly Varden)	Exploration; past producer.	Past production: 1.4 million tons; 19 million oz Ag. 11 million lb. Pb. Reserves (Possible, D.V. 1974): 7,146,562 tons ave 3.9 oz/ton Ag. including 777,000 tons ave 9.8 oz/ton Ag.	Volcanic-exhalative Ag-Pb-Zn in Hazelton volcanics. Some mineralization might be later stage epithermal style. In 1964, Sunshine Mining Co. documented 7.4 million tons of 3.8 oz/ton Ag.











Dolly Varden Minerals Inc.

Why the girl in the hat?

In 1841 Charles Dickens in his book BARNABY RUDGE, introduced a ''charming young lady with flashing eyes'' named Dolly Varden. Her fame spread, and by the 1890's hundreds of ladies wore Dolly Varden hats. Records show that when a prospector first discovered silver near Alice Arm in 1907, he thought of this beautiful girl and named the strike, Dolly Varden.

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R. V. KIRKHAM

Dolly Varden Minerals Inc.

Corporate Information

Dolly Varden Minerals Inc.

The Company:
Dolly Varden Minerals Inc. is a natural resources Company subject to the Ontario Business Corporations Act. It has three principal assets, namely, an approximate 25% interest in Lytton Minerals Limited, a Company listed on the Toronto Stock Exchange, the Maple Bay property, a former producing copper mine that was part of the huge Anyox Copper Mining and Smelting complex of the Granby Company and the Dolly Varden precious metals property. The properties are located in the Stewart area of Northwestern British Columbia.

Officers and Directors:
Dr. Charles E. Michener
Toronto, Ontario, Chairman and Director

Mr. W. F. Christensen
Tucker's Town, Bermuda, President and Director

Mrs. Carol E. Palmer
Toronto, Ontario, Treasurer

Mr. Kenneth Blakey
Victoria, British Columbia, Director

Mr. D. G. C. Menzel
Toronto, Ontario, Director

Mr. Desmond C. B. Alexander
London, England, Director

Transfer Agent:
Montreal Trust Company
Toronto and Vancouver

Solicitors:
Campbell, Godfrey and Lewtas
Toronto, Ontario

Executive Office:
6th Floor, 45 Charles Street East,
Toronto, Ontario
M4Y 1S2
Fax — 416-968-7387
Tel — 416-968-7384

Listing:
The Vancouver Stock Exchange, symbol DYV.

Capital:

Authorized	Unlimited
Issued	10,545,348
Directors Options @ $.50	405,000
Warrants @ $1.30	1,250,000
Fully diluted	12,200,348

Working capital:
Debt Free $1,000,000

Important Investment Note:
''Flow through'' investment funds do not own any shares of the Company.

Reserves:
Geological reserves have been outlined in four separate deposits on the Dolly Varden property as follows:

	Proven & Probable		Possible	
	Tons Short	Grade (oz. Ag/ton)	Tons Short	Grade (oz. Ag/ton)
North Star	141,577	11.71		
Wolf	326,773	9.17	110,556	8.15
Dolly Varden	47,000	22.00		
Torbrit			7,146,562	3.9
			including	
			777,000	9.8
Total	515,350	11.04	7,257,118	4.0
Contained silver	5,688,375 oz.		29,028,472	

Total proven, possible & probable reserves	**7,772,468 tons**
Total contained silver	**34,716,847 oz.**

Dolly Varden Minerals Inc.

The Dolly Varden Property:

This property contains approximately 14,000 acres and represents the culmination of efforts, extending over a period of twenty-nine years, to consolidate a once-famous and very substantial Western Canadian Mining Camp. It now includes the Dolly Varden Mine, the Torbrit Mine, the Wolf Mine, the North Star Mine, the Gold Belt zone which contains the Red Point-Red Point Extension gold zone, and many other excellent exploration prospects.
The Dolly Varden Mine operated from 1919 to 1921 and recovered 1,305,000 ounces of silver from 36,600 tons of ore mined at a recovered grade of 35.66 oz. Ag/ton.
The Torbrit Mine produced 18,706,847 ounces of silver and 10,772,575 pounds of lead from 1,377,832 tons of ore mined from 1949 to 1959, at a recovered grade of 13.58 oz. Ag/ton and 0.39% lead.

Recent Developments
The Gold Belt
1989 Exploration Programme

- In Western Canada activity in gold oriented exploration has been led by companies with interests located in the Jurassic Hazelton group of volcanic rocks within the Stewart Gold Camp of Northwestern British Columbia. The potential of the area has been highlighted by a large number of high grade gold discoveries, many of which have already led to production decisions. The major properties such as Silbak-Premier, Big Missouri, Snip, Johnny Mountain, Sulphurets, Eskay Creek and the Dolly Varden Gold Belt have similar geological characteristics, suggesting that they belong to a common mineralizing episode characterized by large zones of silification and seritization as a result of extensive hydrothermal alteration. Further evidence linking the Stewart deposits is the recent identification of a common distinctive lead isotope ''finger print''.
- The Dolly Varden Gold Belt alteration zone is approximately 20 kilometers long and 800 m wide as outlined in a 1985 geological study and mapping programme conducted by the British Columbia Department of Mines. During 1986 Dolly Varden explored a small portion of this zone focussing on an area historically known as the Red Point and the Red Point Extension. Geological mapping, rock and soil sampling and channel sampling of old trenches with the aid of a gasoline powered diamond saw outlined a northwest trending gold zone approximately 1,000 meters long and 100 meters wide which includes the following three significant gold showings:
  - The south showing — averaged 0.165 oz. Au/ton over a width of 15 ft. and a length of 125 ft. The best values along this strike length include 0.452 oz. Au/ton over a 6.4 ft. width and 0.321 oz. Au/ton across 3.6 ft.
  - The central showing — returned an assay of 0.05 oz. Au/ton over 9.0 ft. in mineralized stock works on a poor out crop.
  - The north showing — averaged 0.106 oz. Au/ton over a width of 12 ft. for a strike length of 165 ft. The best values at this showing included 0.303 oz. Au/ton over 7.9 ft. and 0.176 oz. Au/ton across 10.4 ft.
- Commencing in June, 1989, numerous highly prospective zones within the Gold Belt will be subject to intensive geochemical and geological surveys in conjunction with a major diamond drilling programme on the Red Point and Red Point Extension.

June 15, 1989

Please see detailed maps inside