

Rodman & Renshaw, Inc.

David Morgan (312) 526-2118
September 8, 1995

Romulus Resources Ltd — Speculative BUY (RRU.V – C\$ 1.70)

Misty Mountain Gold Ltd — Speculative BUY (MGL.T – C\$ 0.40)

(Prices are as of September 6, 1995)

		Romulus	Misty Mountain	Misty Mountain (new) (pro forma)
Share price	C\$	1.70	0.40	4.00
12 month range	C\$	1.35 - 2.40	0.25 - 0.97	2.50 - 9.70
Issued shares	m	10.2	33.4	7.7
fully diluted	m	10.9	44.9	9.2
Market capitalization	C\$m	17.3	13.4	30.7
fully diluted	C\$m	18.5	18.0	36.8
Working capital	C\$m	2.0	0.3	2.3
fully diluted	C\$m	1.1	5.9	7.0

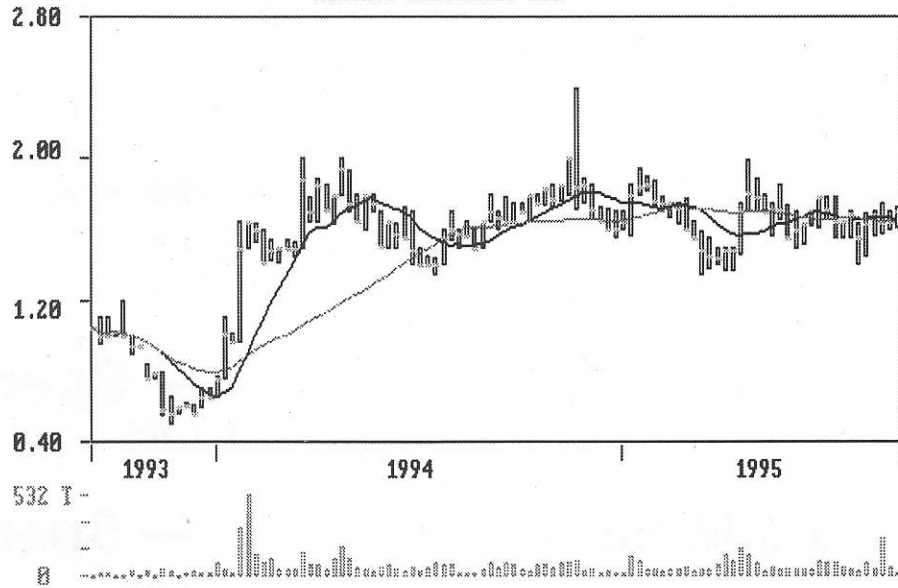
Romulus and Misty Mountain are currently partners in the Harmony Gold Project, which is exploring a major epithermal gold district in the Queen Charlotte Islands, B.C. The project has the potential to become a large gold producer through the application of new concepts to the development of the already-known 2.2 million ounce Specogna gold deposit. There is also excellent scope for new discoveries on the large 170 square mile property.

Plans by earlier operators to develop the Specogna deposit as a large open pit proved economically and environmentally unworkable. A radically different approach by the Harmony Project aims to eliminate the previous problems by exploiting the resource through underground mining, and to explore for further reserves at depth where there is believed to be potential for bonanza grade mineralization. A drilling program is due to start in October.

The operator of the Harmony Gold Project is Romulus Resources, which is run by the successful and experienced Hunter/Dickinson development team. Romulus and Misty Mountain are planning to merge in the near future, giving the Harmony Project a simple, single ownership structure and increasing capitalization and liquidity in the market.

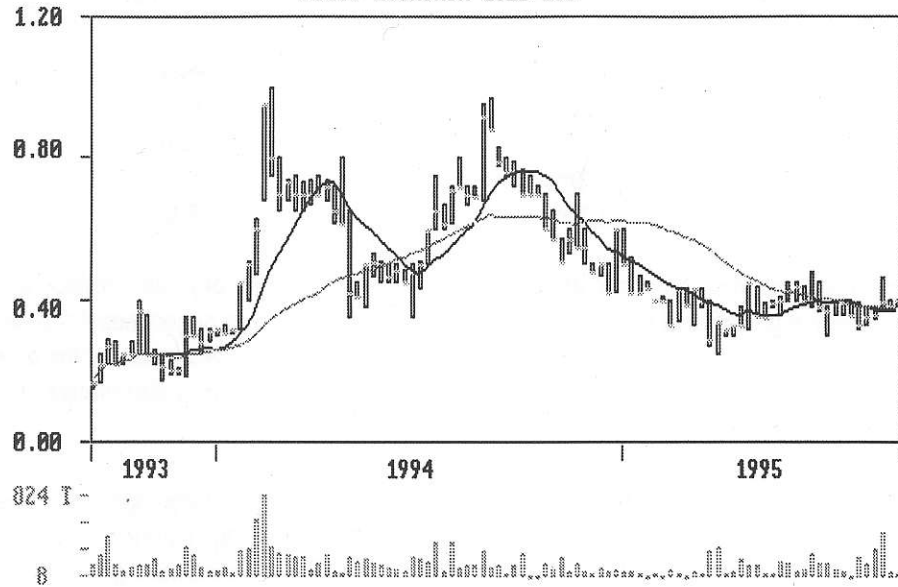
The Harmony Gold Project is recommended as an attractive advanced-stage gold exploration project with the potential to add value both through development and reserve addition at the Specogna deposit, and discoveries elsewhere on the large and prospective property.

ROMULUS RESOURCES LTD



Moving Averages
--- 10 weeks --- 30 weeks
Charts courtesy of Bridge Information Systems.

MISTY MOUNTAIN GOLD LTD



Moving Averages
--- 10 weeks --- 30 weeks
Charts courtesy of Bridge Information Systems.

BACKGROUND

In 1970, the prospector Ephrem Specogna discovered a high-grade gold occurrence on Graham Island, British Columbia. Over a period of years a number of companies explored the property, and a 2.2 million ounce gold resource known as the Cinola deposit was outlined. In 1986, a controlling interest was acquired by the Australian group City Resources, which spent around \$30 million in an effort to establish Cinola as a large-tonnage open pit mine. Following the corporate failure of City Resources in 1989, another Australian company, Barrack Mines, took control, but it suspended work in 1990 after concluding that metallurgical and environmental problems made the project uneconomic. Barrack itself collapsed in 1990.

The Cinola Project remained dormant until 1993 when two Australian mining engineers, Ray Soper and Robin Slaughter, initiated a reconstruction of the company, renamed it Misty Mountain Gold, and began to consider alternative ways of exploiting the Cinola deposit. In November 1994 a joint venture was concluded with Romulus Resources, a company controlled by the successful Canadian project development group headed by Robert Hunter and Robert Dickinson. The joint venture was planned to actively explore and apply radically different concepts to the development of the property. Romulus became operator and commenced a preliminary exploration program and expanded the project area.

Misty Mountain Gold and Romulus Resources recently announced their intention to merge. The merged company will be managed by the Hunter/Dickinson team and will have a 100% working interest in the project, now called the Harmony Gold Project. (The Cinola deposit is now referred to as the Specogna deposit in recognition of its discoverer.)

THE HARMONY GOLD PROJECT

The Harmony Gold Project covers almost 170 square miles on Graham Island (Haida Gwaii) at the North end of the Queen Charlotte Islands, British Columbia (Figure 1). The area comprises a major epithermal gold district in which a 2.2 million ounce resource, the Specogna deposit, has already been outlined by previous operators.

Figure 2 shows how the project area covers the significant geological features of the area, including the key Sandspit Fault, the Specogna Fault and other parallel and subsidiary fault structures. The Project also covers a six-mile strike length of a large dilation zone within the paralleling Rennell Sound Fault system, which lies to the west. The claims encompass most of the Gold Creek Volcanic Complex and about 40% of the extensive Juskatla Volcanic Complex. The Specogna gold deposit itself occurs at the intersection of the Gold Creek Volcanic Complex and a dilational jog in the Specogna-Sandspit Fault system.

The main near-term exploration objective of the Harmony Project is to develop a mineable reserve at the Specogna deposit to support the new concept of developing the resource as a high-grade underground mine. However, prospects are also considered excellent for further epithermal gold discoveries elsewhere on the property where there has been little modern exploration.

ROMULUS RESOURCES LTD.

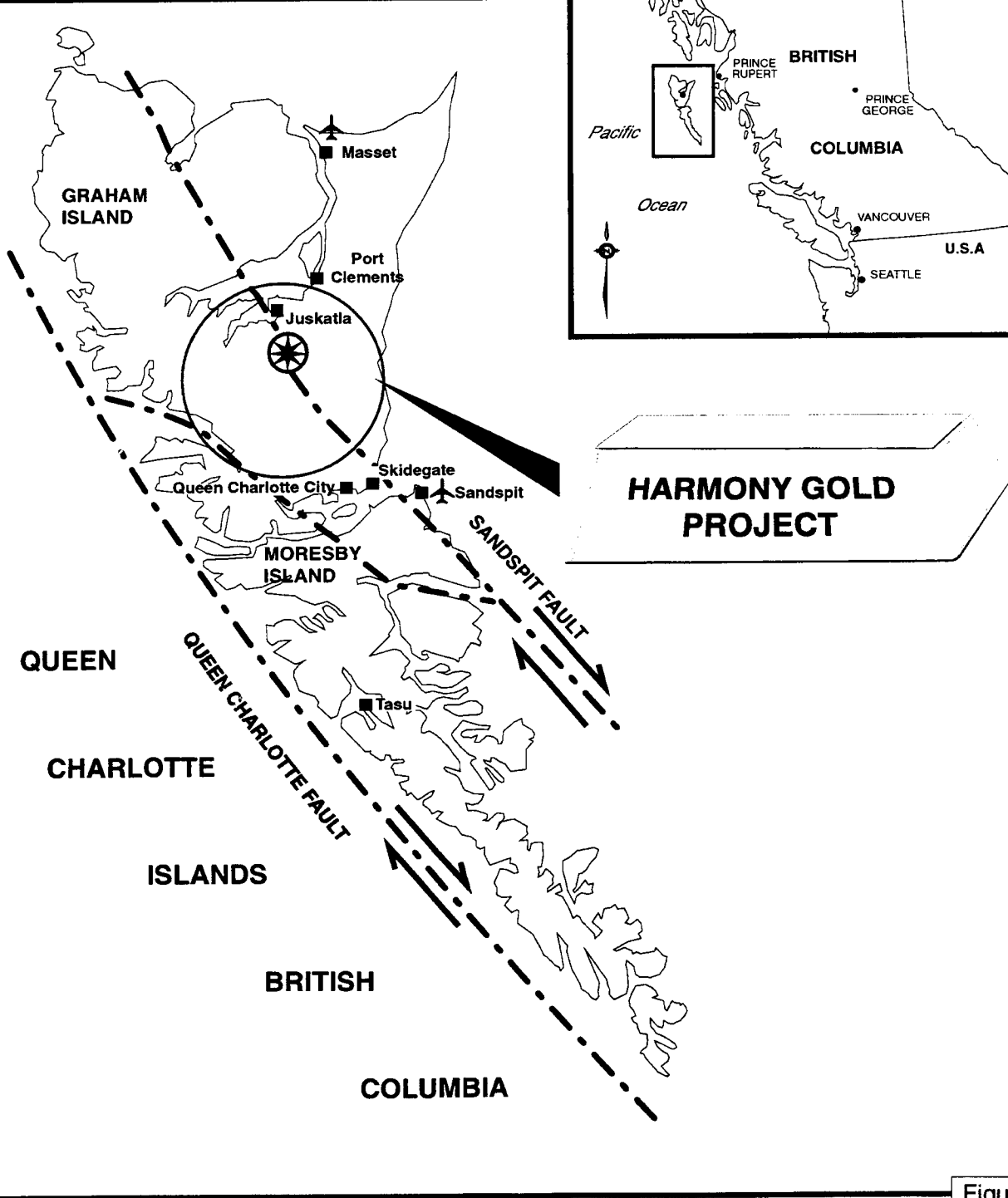


Figure 1

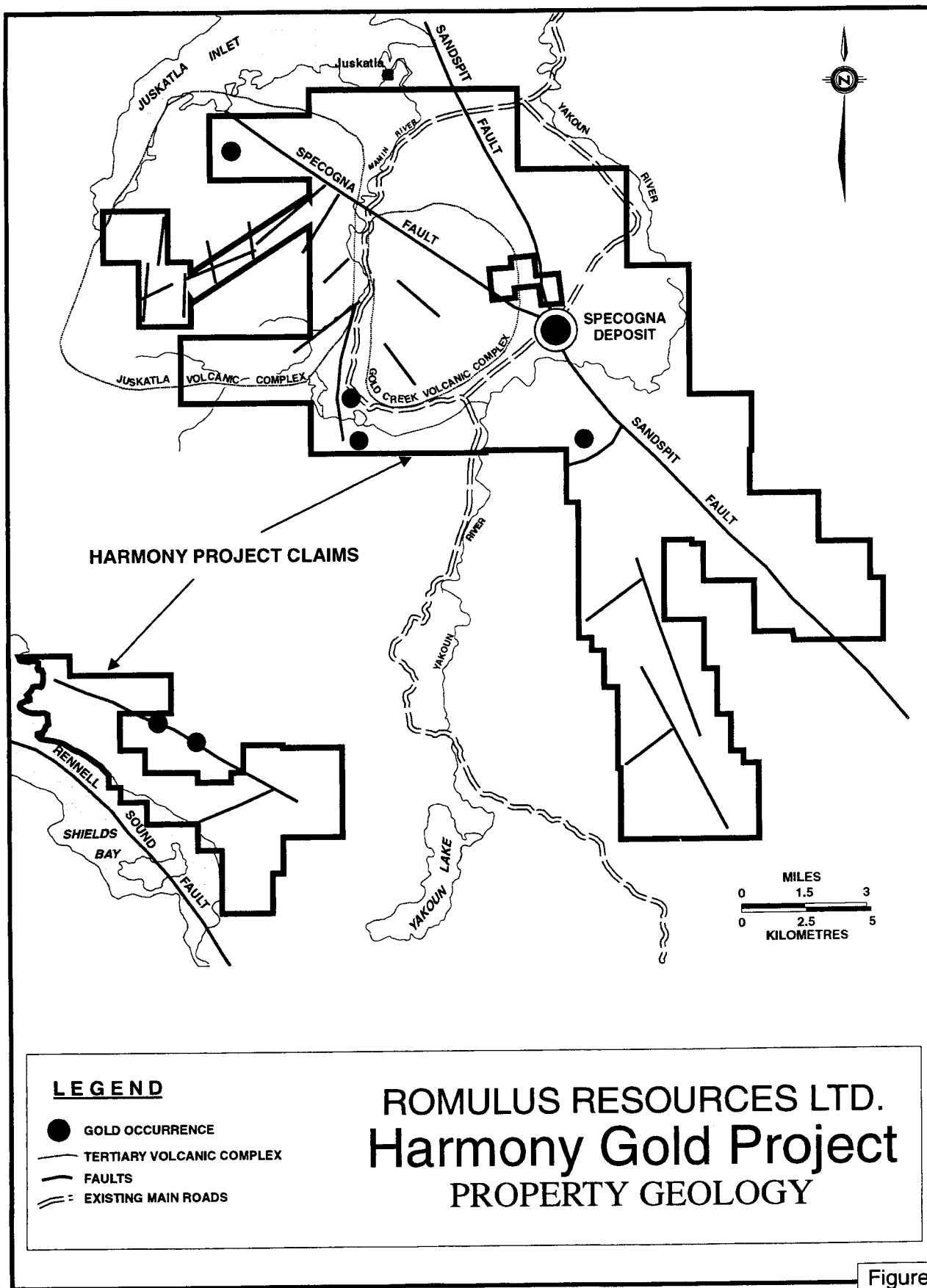


Figure 2

THE SPECOGNA DEPOSIT

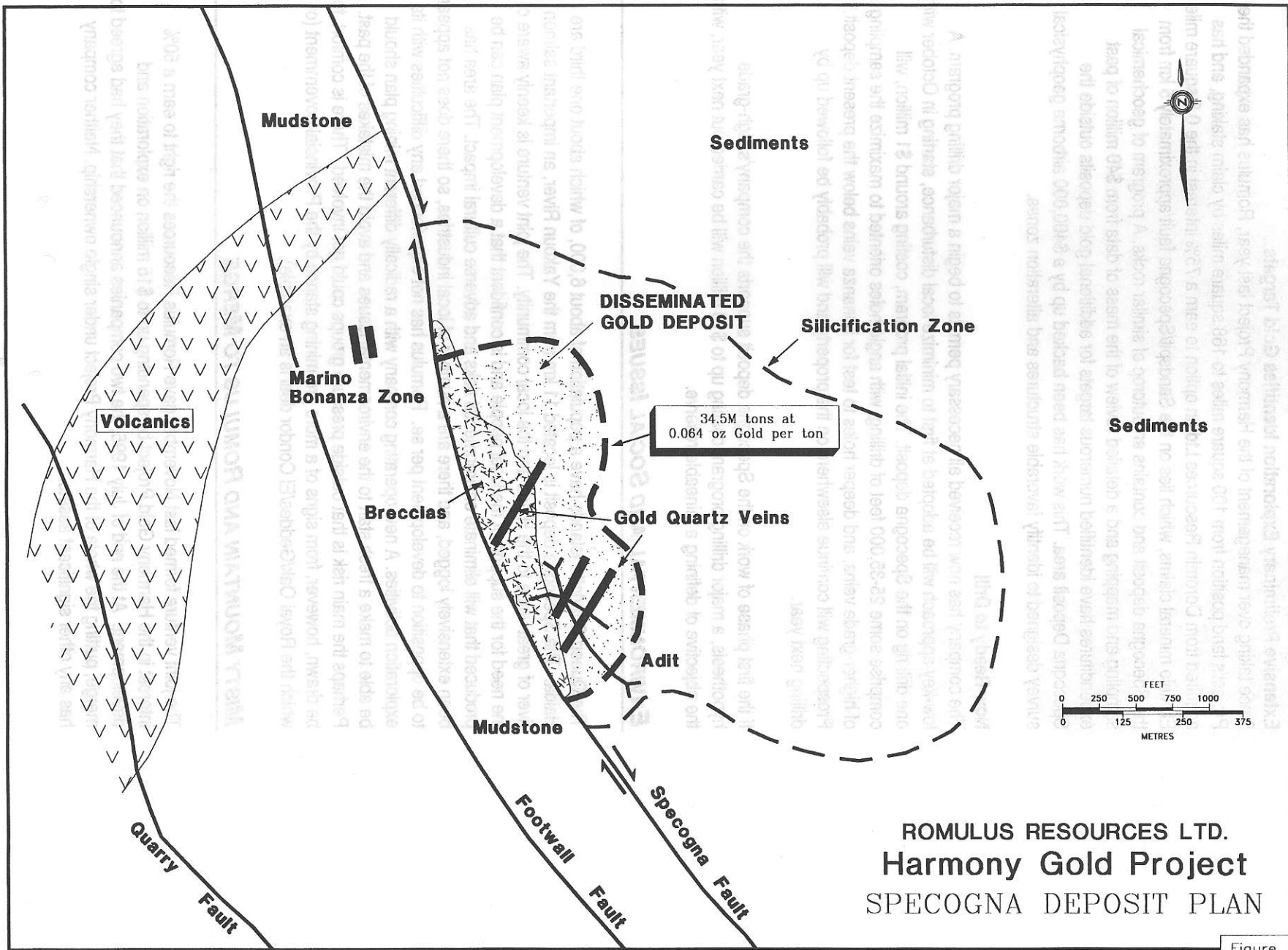
Previous Attempts to Set Up Large-Scale Open Pit Unsuccessful

The previous operators of the Cinola property had concentrated on establishing a large-tonnage open pit operation. Although a big gold resource containing some 2.2 million ounces had been proven, this concept proved unsuccessful. Feasibility studies showed that a gold price of over US\$450/oz would have been needed to make such a mine viable, largely because of because poor metallurgical recoveries of around 70%. In addition, the project aroused strong environmental opposition, particularly from well founded concerns about the effects of acid water drainage from the large quantities of waste rock which would have been produced from a large open pit mine.

Romulus and Misty Have a New High Grade Development Concept

The new operators, however, have adopted a completely different approach and aim to develop the deposit as a high-grade underground operation. This concept should have major advantages. Firstly and most important, it could be economic where the bulk tonnage open pit scheme was not. Secondly, a smaller, underground mine would have much less environmental impact, and quantities of tailings and waste rock to be disposed of would be greatly reduced. The easy accessibility of the project site even makes it possible to consider shipping ore to a concentrator on the mainland, at least initially, which would eliminate any concerns about waste disposal. Thirdly, there is good evidence from the metallurgical testwork already done that the refractory ore is confined mainly to the lower-grade part of the deposit, and that normal recoveries of over 90% can be obtained from the material in the higher-grade veins.

A conceptual section of the Secogna deposit (Figure 3) illustrates the background to the high-grade underground mining approach. The deposit is located near surface, at the top of a hydrothermal hot spring system that developed along the Specogna/Sandspit fault. Gold grades in this type of system typically increase with depth and often culminate in very high-grade bonanza ore bodies. This pattern has been shown by past drilling at Specogna, which intersected high-grade gold zones adjacent to the fault structure, with some of the deepest drilling encountering the highest gold grades. The presence of silica sinters is another indicator of potential for bonanza gold veins at depth. Near the surface, lower-grade disseminated material spreads out away from the Specogna Fault and forms the large-tonnage deposit that was the target of previous open-pit mining schemes. This zone is also crossed by steeply dipping gold quartz veins, and there are numerous high-grade veins exposed in a 2000-foot underground adit through the Specogna deposit. Previous drilling was designed to define an open-pit deposit and consisted mainly of vertical holes, many of which ran parallel to the higher-grade veins and failed to give a representative sample of these structures. Nonetheless, the potential for high-grade mining is suggested by the existing resource estimates that show that raising the cut-off grade to 3 gm/t still leaves a resource of 1.1 m oz at an average grade of 6.84 gm/t. Unlike many similar deposits in North America, the Specogna deposit has never been high graded by "old timers."



ROMULUS RESOURCES LTD.
Harmony Gold Project
 SPECOGNA DEPOSIT PLAN

Figure 3

THE EXPLORATION PROGRAM

Extensive Preliminary Exploration Identifies Gold Targets

Since taking over management of the Harmony Project last year, Romulus has expanded the Project's land position from 100 square miles to 168 square miles by claim staking, and has acquired from Doromin Resources Ltd an option to earn a 75% interest in the 0.8 square mile El Ninio mineral claims, which lies on the Sandspit/Specogna fault approximately 5 km from the Specogna deposit and contains an outcrop of similar rocks. A program of geochemical sampling and mapping and a detailed review of the mass of data from \$40 million of past expenditures have identified numerous targets for additional gold deposits outside the Specogna Deposit area. This work has been backed up by a \$400,000 airborne geophysical survey designed to identify favorable structures and alteration zones.

Now Ready to Drill

The company has now received all necessary permits to begin a major drilling program. A low-key approach will be adopted at first to minimize local disturbance, starting in October with one drill rig on the Specogna deposit. The initial program, costing around \$1 million, will comprise some 25-35,000 feet of drilling, with angle holes oriented to maximize the sampling of higher-grade veins, and deeper holes to test for bonanza veins below the present deposit. Prospecting will continue elsewhere on the property and will probably be followed up by drilling next year.

If the first phase of work on the Specogna deposit supports the company's high-grade hypothesis, a major drilling program costing up to \$10 million will be carried out next year, with the objective of defining a mineable reserve.

ENVIRONMENTAL AND SOCIAL ISSUES

The Queen Charlotte Islands have a population of about 6,000, of which about one third are Haida. The Specogna deposit is located 11 km from the Yakoun River, an important salmon river of great value to the Haida and the local community. The joint venture is keenly aware of the need for the support of the local people and is confident that a development plan can be produced that will eliminate environmental risks and adverse cultural impact. The area has been extensively logged, and there are a number of local industries, so there does not appear to be opposition to development per se. Romulus has not experienced any difficulties with its exploration activities. A new operating company with a radically different mining plan should be able to make a fresh start to the environmental issues and avoid the mistakes of the past. Perhaps the main risk is that outside pressure groups could get involved. There is comfort to be drawn, however, from signs of a more pro-mining stance by the Provincial government (of which the Royal Oak/Geddes/El Condor deal is an example).

MISTY MOUNTAIN AND ROMULUS TO MERGE

The joint venture formed last November gave Romulus Resources the right to earn a 50% interest in the Harmony Gold Project by spending up to \$15 million on exploration and development. At the end of July 1995, the two companies announced that they had agreed to merge, putting the whole of the Harmony Project under single ownership. Neither company has any other significant assets.

Misty Mountain Gold will be the successor company and will issue 4.25 of its shares for each Romulus share. Following the merger, the share capital will be consolidated 1 for 10, resulting in 9.2 million issued shares on a fully diluted basis. The former shareholders of Romulus and Misty Mountain will each own approximately half the merged company. Merger proposals will be presented to shareholders around mid October and are subject to the usual judicial and regulatory approvals.

The merged company will have approximately \$2.3 million in cash initially and around \$7 million on full conversion of all options and warrants. In addition, it will be entitled to some \$58 million of tax losses to offset future income, some of which may be sold to provide cash for project development.

The merger of the two joint venturers should bring significant benefits:

- A simple project ownership should improve market profile and facilitate future financing;
- the company will benefit from Misty Mountain's existing Toronto listing (and plans a NASDAQ listing early next year);
- a larger capitalization and a broader shareholder base (including sizable Australian holdings) should increase stock market liquidity;
- the whole venture will be managed by the well known Hunter/Dickinson team.

The management groups of Misty Mountain and Romulus will own approximately 18% and 16% of the entity, respectively.

INVESTMENT APPRAISAL

The Harmony Gold Project already has a large, proven gold resource and must be considered a fairly advanced-stage exploration project. On the basis of current share prices, the merged Misty Mountain would have a market capitalization, adjusted for cash, of approximately US\$27 million. Undeveloped gold reserves are typically valued at between US\$20 and US\$40 per ounce. Taking the midpoint of this range, the shares would appear to be reflecting reserves of around 900,000 ounces. This is roughly in line with the previously estimated in situ resource of 1.1 million ounces at a 3 gm/t cut-off grade within the designed open pit. The share price seems consistent with this amount of known higher-grade gold, but only further work will show whether there is sufficient width and continuity for it to be economically mined.

The upside for the shares lies in additions to reserves, especially if the postulated bonanza grade mineralization is discovered. The Hunter/Dickinson group's policy is to look for deposits that can be sold on to major mining companies. For gold, that means a reserve of at least one million ounces. The company believes the Specogna deposit has potential for well in excess of that. On top of that is the potential for new discoveries elsewhere on the property, which is probably not reflected at all in the share price at this stage.

Rodman & Renshaw, Inc.
September 8, 1995

Rodman & Renshaw, Inc.
September 8, 1995

ADDITIONAL INFORMATION ON SECURITIES MENTIONED IS AVAILABLE ON REQUEST

The information herein is based on sources that this firm believes to be reliable but is not guaranteed and does not purport to be a complete statement of all facts material to an investment decision. This report is for informational purposes and is not a solicitation of orders to purchase or sell any security. Because individual investor circumstances may differ, this report should not be construed as advice designed to meet the particular needs of any investor. Further, the securities described in this report may not be eligible for offer or sale in certain states. This firm and/or its affiliates, directors, officers, employees, or members of their families may have positions in securities described in this report and may buy or sell or make a market in such securities from time to time. This firm or one of its affiliates may also provide investment banking services to companies described in this report. Additional information on each security is available upon request. Any opinions expressed in this report are subject to change without notice.

Reprinted From:

The Hard Rock Analyst

A publication of Vanguard Consulting Ltd.

August 30, 1995

Paper Edition

Volume 1, Number 1

MISTY MOUNTAIN GOLD LTD ROMULUS RESOURCES LTD.

PLEASE NOTE: These companies are reviewed jointly due to a planned merger; other than historic share prices, the following figures are based on the merged company after a 1 for 10 share consolidation. Assuming no changes in the merger agreement, it will take 10 Misty Mountain shares or 2.353 Romulus shares to equal 1 "New Misty" share. Readers buying or selling these stocks prior to the amalgamation should keep these numbers in mind if they want to avoid holding odd lots later.

LISTING: Toronto, Vancouver, Symbol - MGL

SHARES OUTSTANDING - PRO FORMA:

7,600,000 (9,200,000, fully diluted.)

APPROXIMATE FLOAT - PRO- FORMA:

5.8 MILLION

52 WEEK HIGH - LOW: Misty Mountain (MGL-T)

\$0.97 - 0.25; Romulus (RRU-V) \$2.40- 1.35

CURRENT PRICE: MGL - \$0.39; RRU - \$1.70

OVERVIEW

Misty Mountain Gold Ltd. (MGL-T) and Romulus Resources Ltd. (RRU-V) are covered in a single article because the companies have put forward a plan of amalgamation which should see them become a single entity before the end of October. We feel that this amalgamation, unlike many you will read about, actually provides some true synergy. Misty shareholders get backing from a very strong

promotional and financing group with a \$2 million bank account to start exploration. Romulus shareholders are effectively relieved of their option commitment and receive the benefits of a TSE listing. Both companies will benefit from reduced overhead and streamlined management.

The amalgamating companies currently have a combined market capitalization of about \$32 million. They/it will be working hard to upgrade a deposit with significant, proven potential. Given the potential of the property and the ability of the Hunter Dickinson group to draw a crowd, this market cap could double with a string of good drill results from the Bonanza zone or significant new results outside of the deposit area. A combination of the two should further increase the companies value. Drilling will begin in September.

CORPORATE SUMMARY

Romulus Resources Ltd. listed in 1990 and worked on several B.C. properties in the succeeding years, usually testing bulk tonnage copper-gold targets which have become the hallmark of the Hunter Dickinson group. Romulus had dropped its earlier option commitments by mid-1994 and was in search of new projects. In November of 1994 Romulus entered into an agreement to earn a 50% interest in the Cinola (since re-named Harmony) project. Romulus brings good technical skills, strong regional experience and one of most respected financing groups in the business to the table. Most importantly in the short term, the Hunter Dickinson group carries a very loyal investor following. The recent agreement in principle with **Royal Oak Mines (RYO-T)** to acquire **El Condor Resources Ltd. (ECN-V)** for its South Kerness deposit will reassure investors that the group has not lost its ability to develop and market mineral reserves at a profit to their shareholders. It should also allow the Hunter Dickinson group to focus on Misty.

This reprint of an article included in the August 30, 1995 edition of the newsletter is an independent review of the company.

The Hard Rock Analyst - Romulus Resources Ltd. / Misty Mountain Gold Ltd.

Page 1

Misty Mountain Gold Ltd. has a much longer and more chequered past. The company was incorporated in 1969 as Cinola Gold Mines Ltd. and has gone through three name changes since while remaining focused on the Cinola (now Specogna) deposit. The company was originally run by Ephrem Specogna, who discovered the deposit 25 years ago. Since 1977 the company has been through three major financing and exploration phases by, in turn, the Energy Reserves Group, City Services Ltd, and Barrack Mine Management. Nearly \$50 million was spent by these companies proving up the deposit and undertaking feasibility and mine permitting work. The greatest activity in the property and the market occurred in the late 1980's when, as City Resources (Canada) Inc., the company undertook extensive drill campaigns, underground bulk sampling and feasibility work. The stock reached its all-time high of over \$9.00 during this period. After both City Services and Barrack failed to bring the property to production the shares languished for several years. In late 1993 the company was taken over by interests associated with Robin Slaughter and Ray Soper (the "Misty Group"). The Misty Group purchased the control block of shares from Barrack's Receiver, bought most of the outstanding debts and settled the remainder for warrants. The Misty Group has undertaken an extensive re-evaluation of the deposit, but probably deserves the most credit for initiating ongoing discussions with local native and community groups and involving them in early stage planning. This was not done by previous operators. The past opposition of the Haida people would probably have doomed an attempt to open the mine, even if they had used a favourable economic approach at the time.

PROPERTY SUMMARY

The **Specogna deposit** is located on Graham Island, the largest of the Queen Charlotte Islands which are located about 900 Km northwest of Vancouver, and 160 Km southwest of the regional supply centre of Prince Rupert. The Queen Charlottes are also known by their aboriginal name of Haida Gwaii. The high grade Marino gold showing was found in 1970 by local prospector Ephrem Specogna. The bulk tonnage resource, hidden under overburden, was located during follow-up of the high grade find. Since then the bulk tonnage deposit has twice been brought close to mine development. Past work has included 450 drill holes, and 730 metres (2,400 ft) of underground development along and near the main Specogna Fault trend.

During 1979-82 Energy Reserves Group spent about \$18 million testing grade and processing potential of the open pit, low grade resource. Although failing to develop this model to production the work did indicate a resource of

90,000 Kg (3 million oz) gold @ a grade of 1.83 g/t (0.053 oz/ton). Also recognized were two separate trends of likely higher grade material. During 1986-90 City Services and in turn Barrack Mine Management completed very detailed drilling of the deposit and drove the underground workings. A test plant was then established (and since dismantled) to bulk sample a portion of the deposit. The City/Barrack group spent about \$30 million, and remained focused on the bulk tonnage potential of the deposit. While the model they developed was not economically feasible, the project's failure related as much to environmental concerns. The mining proposal required long term storage of acid generating waste rock. The deposit is located in the Yakoun River basin which is a major salmon spawning grounds, and part of an active aboriginal lands claim negotiation between the Haida people and the governments of Canada and British Columbia. City/Barrack did not begin dealing with the local aspects of these concerns until well into the permitting process which alienated both environmental activists and, more importantly, the Haida. The project was left heavily in debt and unable to re-jig and develop or deal with alternative models.

In late 1993 the new Australian group (the Misty Group) put together its buy-out package, which dealt with the debt and allowed for a fresh start under the company's new name. The Misty Group began by talking to the Haida and reviewing the large base of information with an eye to possible environmental concerns, resulting in a process with which the Haida seem comfortable. A technical review (the group's background is metallurgy) indicated considerable scope for developing underground reserves. Exploration targets recognized in earlier work were re-acquired. In late 1994 Romulus Resources Ltd came in as operating partner to earn 50% of the project for expenditures of \$15 million. Romulus has since concentrated on the broader potential of Graham Island. It begins testing the Specogna underground deposit in late September.

Deposit type and potential

Epithermal deposits are a major source of gold and silver in the Pacific Basin and other areas of recent volcanic activity. Both high grade and bulk tonnage deposits are expected from this deposit type. The deposits form along the upper part of deep seated faults, within the 1.5 Km (1 mile) of rock below the surface. Most can be broken into several components based on type and concentration of metals each contains.

The Specogna is a 17 million year old fossil hot springs deposit, related to a splay of the regional Sandspit Fault which has been named the Specogna Fault.

This reprint of an article included in the August 30, 1995 edition of the newsletter is an independent review of the company.

A *fault* is a fracture along which *blocks of rock move*. When the Specogna Fault was active a sequence of volcanically derived gravel beds and related units were forming in a beach front and river estuary system adjacent to it. This sequence moved down with the dropping northeast side of the Specogna Fault and began compacting under the weight of fresh material at surface. A heat source developed at depth and propelled hot fluids containing gold bearing *silica* (which crystallises as *quartz*) and other material, that will not be detailed in this review, up the Specogna Fault. When the fluids reached the gravel beds these porous units were flooded and, due to the resulting sharp drop in pressure, began to cool and deposit the siliceous material in the voids. Repeated fluid pulses eventually caused a complete alteration of existing rock along the Fault to silica, and caused partial alteration for up to 300 metres away from the Fault. Continued movements along the Fault caused the now brittle rock to shatter in 2 patterns of economic importance. The first was the development of *breccia* zones (rock composed of *angular fragments*) and other open spaces along the still active Fault. The second pattern was several sets of fractures at a *cross-cutting* angle to the Fault, similar to splinters that form along a piece of wood when an end is snapped off, but 100's of metres deep and resulting from multiple "snaps".

Some of the deposit's gold was brought in during the early, alteration phase of the system. This gold is broadly disseminated throughout the silicification in fine grained particles which are costly to extract. Most of the gold, however, was brought up with later pulses of fluid (which is typical) and was largely deposited in any spaces open at that time. The highest grade portion of these systems, the *Bonanza zone*, forms in the main feeder trend (Specogna Fault in this case) where the flooding, or dispersion of the fluids into surface fractures, causes the fluid pressure to sharply drop off. The relative size of a Bonanza zone varies with conditions in each deposit and it is sometimes absent. Usually, however, the entire length of the feeder fault will have higher than average grades and will contain Bonanza ore at one (usually) or several pressure breaks. The second pattern of *cross-cutting* fractures, trending northeast in this case, is found in brittle host rocks such as at Specogna; a pattern of fractures roughly parallel to the main trend is more commonly found, in less brittle rocks. At Specogna the fracture systems filled with later phase gold bearing quartz veins of higher grade than the enclosing disseminated gold mineralization. Any system of multiple veins within a trend is called a *stockworks* systems. The Specogna deposit has several zones of cross-cutting quartz stockworks, one of which is at least 150 metres (500 ft) thick. Work to date at Specogna has treated these various components as a single body. The current operators will focus on defining the higher grade Bonanza and stockworks zones.

In order to accurately determine the grade of a deposit, drilling should be done so as to intercept the deposit at right angles to the trend of the mineralization. Drilling by past operators at Specogna was either done with the drill pointing vertically downward, or with the drill pointed at the Specogna Fault. The basis for this was the assumption that the Fault is the major influence on the deposit and that concerns about higher grades in the cross-cutting veins could be dealt with by statistical manipulation.

Past drilling cut the **Bonanza zone** in some deeper holes, but these results were not segregated from the rest since the testing was being done for a bulk tonnage target. Individual results from the Bonanza area included three separate 2 metre intervals @ 156 g/t, 138 g/t and 82.3 g/t (6.6 ft @ 4.55, 4.03 and 2.40 oz/ton) gold, 22 m@23.6 g/t (72 ft@0.69 oz/ton) gold, 2 separate 6 m intervals @ 36.3 g/t and 37.4 g/t (19.7 ft @ 1.06 and 1.09 oz/ton) gold, and two separate 8 m intervals @ 28.8 and 23 g/t (26.32 ft @ 0.84 and 0.67 oz/ton) gold within longer intersections. Since past testing cut the Bonanza zone only intermittently there has been no attempt to define a separate reserve. These results are an impressive indication of Bonanza zone potential, with the length of the intersections indicating the zone is exceptionally thick in places and represents a substantial target without reference to other areas of the deposit.

The case for the **cross-cutting stockworks** zone is more difficult. We do not trust the older resource estimates in these zones, believing statistical output can never be better than the sampling from which it derives. Since no drilling cut these zones at right angles there is no gauge on how such drilling will affect results. Usually grade will increase in this situation since drilling parallel to stockworks will usually cut a smaller than representative amount of vein material. This is not an absolute and vein material can be over represented by such drilling. As new testing of the stockworks proceeds, comparisons can be made with the existing assays and detailing focused on areas where past grade estimates are below the new results. Since drilling of the stockworks will be added to tonnage located in the Bonanza zone, it is fair to assume that some mineable blocks will be produced from this work. With a little luck, which this project is overdue for, sizable blocks at underground bulk tonnage grades will be located within these fairly thick stockworks zones.

Within the existing resource of 90,000 Kg, is about 17,000 Kg (500,000 oz) at a minimum grade of 3 g/t and average grade of 6 g/t. This grade is well within bulk underground grades, which can be as low as 4-5 g/t for free milling gold grains if located in sufficiently large blocks. The odds (yet more stats) are that at least this amount of mineable underground reserve will be blocked out. The grade-thickness of some Bonanza interceptions indicates a doubling or

This reprint of an article included in the August 30, 1995 edition of the newsletter is an independent review of the company.

tripling of this figure, to 50,000 Kg or about 1.5 million oz is also possible (which does not include untested anomalies). The true potential of the Bonanza zone will be determined when its down dip extent is known. Judging the potential of the stockworks zones releases will best be done with comparisons of past core drill intersections in the same areas. Assessment against past reverse circulation results will have to be done with greater caution.

The balance of the **Harmony project**, that is of similar exploration potential on Graham Island, has very little new basis yet available for assessment. We had an extensive look at the project files soon after the Misty Group came into the picture. In addition to several points noted above, the most surprising aspect

of the files was how little work had been done on other targets, including several close to the existing resource. These targets, and a number of others, have now been re-acquired by the joint venture. Romulus has been doing reconnaissance on the outside targets since March of this year. We expect further targets of substance to be produced from this work, although it may be some time (as opposed to no time?) before work is done to substantiate them. Since they would be "news" in the strict sense of the word, these targets may offer an unexpected boost to stock prices.

THE HARD ROCK ANALYST is an independent publication committed to providing timely and factual analysis of junior mining companies. Companies are chosen on the basis of financial strength and exceptional property potential in order to provide the investor with significant upside potential while minimizing, wherever possible, the downside risk. No statement or expression of opinion, or any other matter herein, directly or indirectly, is an offer, solicitation or recommendation to buy or sell any securities mentioned. While we believe all sources of information to be factual and reliable we in no way represent or guarantee the accuracy thereof, nor of the statements made herein. We do not receive or request compensation in any form in order to feature companies in this publication. This document is protected by the copyright laws of Canada and the U.S. and may not be reproduced in any form for other than personal use without the prior written consent of the publishers. This document may be quoted, in context, provided that proper credit is given, including the publication name and address of the publisher. The publishers, editors or employees of The Hard Rock Analyst may or may not hold positions in any securities mentioned herein.

The Hard Rock Analyst is published monthly by Vanguard Consulting Ltd., Box 172, 101 - 1184 Denman Street, Vancouver, B.C., Canada, V6G 1M9. Phone (604) 681-3234, Fax (604) 681-4166
e-mail hardrock@info-mine.com or visit us at the Info-Mine URL: <http://www.info-mine.com/hra/>
Subscription Rates: 1 year (12 issues) \$127.33, inc. GST, for Canadian Orders. \$105.00 U.S., for U.S. and elsewhere.

This reprint of an article included in the August 30, 1995 edition of the newsletter is an independent review of the company.

The Hard Rock Analyst - Romulus Resources Ltd. / Misty Mountain Gold Ltd.

**Misty Mountain
Gold Limited**

1020 - 800 W Pender St
Vancouver BC
Canada V6C 2V6
Tel 604 684 - 6365
Fax 604 684 - 8092
Toll Free 1 800 667 - 2114

December 8, 1995

HIGHER GRADE GOLD RESERVES INDICATED AT HARMONY

Robert G. Hunter, Chairman of Misty Mountain Gold Limited (TSE-MGL; VSE-MGL) is pleased to announce initial drill results from its 100% owned Harmony Gold Project, located on Graham Island, Queen Charlotte Islands, British Columbia. The Property encompasses a 444 square kilometre mineral claim holding covering one of the world's premier epithermal gold systems and includes the Specogna Deposit.

Misty has commenced a systematic, large diameter core drilling program at the Specogna Deposit with two diamond drill rigs operating. Previous operators reported an open pit mineable reserve for the Specogna Deposit of 34.5 million tons with a grade averaging 0.064 ounces gold per ton at a waste to ore stripping ratio of 1.7:1. Misty Mountain is re-drilling the Specogna Deposit on a 20 metre by 20 metre grid pattern with all holes being drilled at approximately 120°. To date, 6,361 metres have been completed in 28 holes. Drilling is ongoing. Misty has received gold assay results for the first 9 holes of the program. Results are:

Hole No.	From (metres)	To (metres)	Interval		Gold Grade	
			(metres)	(feet)	(oz/ton)	(g/tonne)
95-001	73.00	126.00	53.00	173.7	0.120	4.11
	incl. 86.90	102.00	15.10	49.5	0.174	5.98
	98.70	102.00	3.30	10.8	0.281	9.63
	116.00	126.00	10.00	32.8	0.150	5.15
95-002	20.55	200.56	168.51	552.4	0.117	4.03
	incl. 90.00	94.00	4.00	13.1	0.376	12.88
	120.00	148.00	28.00	91.8	0.270	9.25
	148.00	150.00	2.00	6.6	0.951	32.61
95-003	13.50	106.00	92.50	303.2	0.058	1.97
	incl. 50.00	64.00	14.00	45.9	0.136	4.65
95-004	36.00	109.10	73.10	239.6	0.103	3.54
	incl. 72.85	99.88	27.03	88.6	0.183	6.27
	81.90	90.20	8.30	27.2	0.353	12.09
95-005	17.39	98.82	81.43	266.9	0.052	1.78
	incl. 62.00	77.88	15.88	52.1	0.092	3.14
	87.94	89.41	1.47	4.8	0.235	8.07
95-006	47.73	186.00	138.27	453.2	0.141	4.84
	incl. 104.00	122.90	18.90	62.0	0.174	5.97
	137.11	144.59	7.48	24.5	0.288	9.88
	176.00	186.00	10.00	32.8	0.541	18.56
95-007	80.27	146.00	63.08	206.8	0.099	3.41
	incl. 90.00	100.00	10.00	32.8	0.169	5.80
	140.00	144.00	4.00	13.1	0.326	11.18
95-008	31.50	94.00	62.50	204.9	0.087	2.97
	incl. 87.60	94.00	6.40	21.0	0.303	10.38
	91.40	94.00	2.60	8.5	0.624	21.40
95-009	100.00	218.00	104.56	342.7	0.119	4.07
	incl. 144.02	218.00	60.54	198.5	0.157	5.39
	191.40	212.00	20.60	67.5	0.294	10.07

The current, systematic, drill program is being conducted because re-evaluation of the historical drill hole data base for the Specogna deposit combined with changing the orientation of drilling, demonstrated excellent potential to drill delineate a new higher grade reserve within the Specogna Deposit. Drilling has confirmed that the Specogna Deposit is comprised of northeasterly trending swarms of gold-bearing quartz veins and that the holes drilled by previous operators were largely parallel to the strike and dip of these near vertical veins.

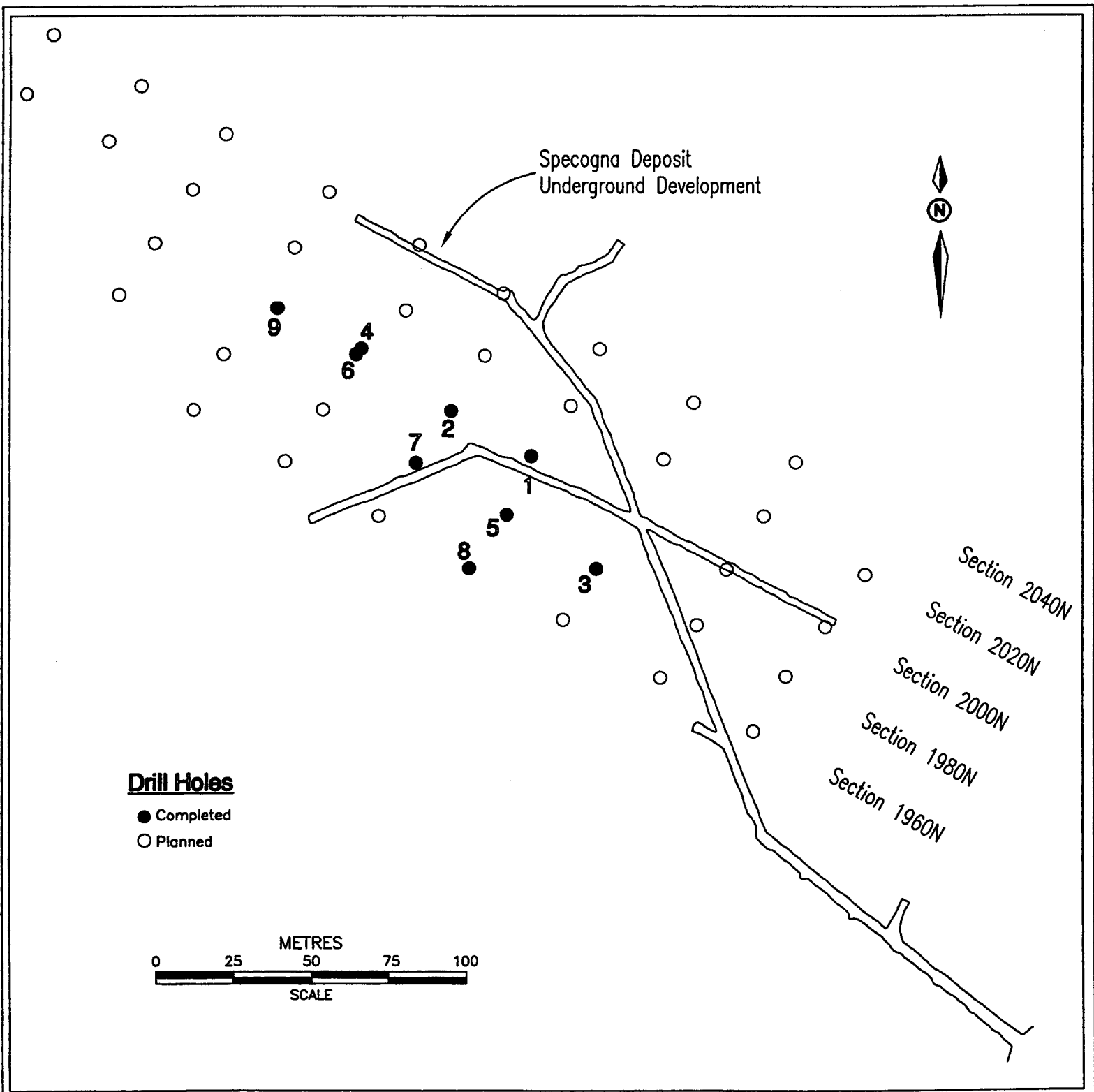
The initial drill results received are confirming the excellent potential to develop higher grade gold reserves within the Specogna Deposit. Drilling is ongoing and further results will be reported when received.

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read "Robert G. Hunter". The signature is written in a cursive style with a large initial "R".

Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.



Misty Mountain Gold Limited
Diamond Drill Hole Plan
Specogna Deposit - Harmony Gold Project

**Misty Mountain
Gold Limited**

1020 - 800 W Pender St
Vancouver BC
Canada V6C 2V6
Tel 604 684 - 6365
Fax 604 684 - 8092
Toll Free 1 800 667 - 2114

November 16, 1995

\$5 MILLION FINANCING

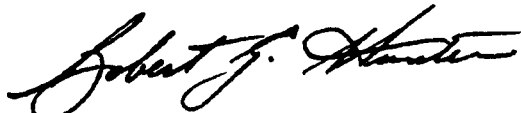
Robert G. Hunter, Chairman of Misty Mountain Gold Limited (TSE-MGL; VSE-MGL) announces that the Company has reached agreements in principle with certain private investors, including members of management, to privately place 1,250,000 special warrants at a price of \$4.00 per special warrant. Each special warrant will, on issuance of prospectus receipts from applicable Provincial Securities Commissions, convert into one common share of Misty Mountain and one share purchase warrant entitling the holder to purchase an additional share of Misty Mountain for a one year period at a price of \$4.00 per share. In the event that prospectus receipts are not timely issued, each Investor will receive an additional 0.1 common share per special warrant. The special warrant Subscription Agreement will permit Canadian taxpayer investors to have renounced to them Canadian exploration expenses on a flow through basis. The special warrants will be offered through registered securities dealers who will be paid a 5% fee.

Proceeds of this financing will be used to continue the exploration & development of Misty Mountain's 100% owned Harmony Gold Project located on Graham Island, Queen Charlotte Islands, Haida Gwaii, B.C.

Currently the Company is carrying out a drilling program at the Specogna Deposit and two diamond drill rigs are operating. This phase I program comprises 57 holes with some 25,000 feet of diamond drilling. To date, over 8,000 feet have been completed in 18 holes. Initial assay results from this systematic drilling program are imminent. The purpose of this program is to upgrade the Specogna Deposit's gold reserves, previously calculated to contain 2.2 million ounces (35 million tons at .064 oz gold/ton).

The Company is also granting, pursuant to its stock option plan, incentive options entitling the holders to acquire up to a total of 249,550 shares in the capital stock of the Company at a price of \$4.00 per share, all of which options are for a term of two years, terminating November 16, 1997. The foregoing transactions are subject to regulatory approval.

ON BEHALF OF THE BOARD



Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

Misty Mountain Gold Limited

1130-777 Dunsmuir Street
Vancouver, B.C. V7Y 1K4
Tel: (604) 681-6186
Fax: (604) 681-3652
1-800-285-2170
Contact: Robin Slaughter
Symbol: TSE/VSE: MGL

Romulus Resources Ltd.

1020-800 West Pender Street
Vancouver, B.C. V6C 2V6
Tel: (604) 684-6365
Fax: (604) 684-8092
1-800-667-2114
Contact: Scott D. Cousens
Symbol: VSE:RRU

November 6, 1995

JOINT NEWS RELEASE Merger Complete - Drilling Under Way

Robert G. Hunter, Chairman of Romulus Resources Ltd. and Robin A. Slaughter, Director of Misty Mountain Gold Limited announce that after close of trading on Monday, November 6, 1995, the Merger of Misty Mountain and Romulus, whereby Romulus became a wholly owned subsidiary of Misty Mountain, was completed. Misty Mountain first effected its 10:1 share consolidation and, accordingly, each former Romulus shareholder will receive notification of entitlement to .425 post-consolidation Misty Mountain share for each Romulus share.

As a result of the Merger there are now 7,682,630 outstanding Misty Mountain common shares or approximately 9.2 million outstanding shares on a fully diluted basis. Management owns or controls approximately 28% of Misty Mountain (36% on a fully diluted basis). Misty Mountain will remain listed on The Toronto and Vancouver Stock Exchanges and the trading symbol will remain MGL with a new CUSIP 60650E 20 5.

The new management of Misty Mountain consists of persons of both predecessor Companies. Directors who are Officers of the merged Company, Misty Mountain Gold Limited, are as follows:

Robert G. Hunter - Chairman and Chief Executive Officer
Raymond J. Soper - Vice-Chairman
Robert A. Dickinson - President and Chief Financial Officer
Jeffrey R. Mason - Secretary/Treasurer
David J. Copeland - Vice-President, Project Development
Aziz Shariff - Vice-President, International

Other Directors are Robin A. Slaughter, Ronald W. Thiessen, and Scott D. Cousens.

Misty owns 100% of the Harmony Gold Project, located on Graham Island, Queen Charlotte Islands, Haida Gwaii, British Columbia, which encompasses a vast 444 square kilometre mineral claim holding covering one of the world's premier bonanza gold systems. The Property includes the Specogna Deposit which is central to the property and contains over 3 million ounces of gold.

To initiate exploration on the Harmony Gold Project, an extensive helicopter-borne geophysical survey was completed over the claim holdings. This survey traced the important faults and other related structures, which in part, control gold deposition on Graham Island. To complement the geophysical survey, a detailed series of specialty stream sediment and ground sample surveys were completed over the claim block. Analyses of the survey results has identified several high priority gold deposit targets.

Further, extensive re-evaluation of the voluminous drill hole assay data base for the Specogna Deposit was undertaken. This study indicated the potential to increase gold grades within the Specogna Deposit by orientating drill holes at right angles to the northeasterly trending swarms of gold-bearing quartz veins which make up the deposit. Holes drilled by previous operators were largely parallel to these gold-bearing vein swarms. Comparative studies indicate increased gold grades are likely.

A 25,000 foot diamond drilling program is now under way to confirm this re-assessment of the Specogna Deposit. To date, 7,300 feet have been completed in 12 holes. Initial assay results from this systematic drilling program are expected in the near term.

In addition, a number of holes will be drilled to begin testing for potential, high-grade bonanza-type gold zones at depth.

The Toronto Stock Exchange and The Vancouver Stock Exchange will separately advise of the commencement of Post Merger trading by separate notice expected to be effective on or about November 10, 1995.

ON BEHALF OF THE BOARD

Romulus Resources Ltd.



Robert G. Hunter
Chairman

ON BEHALF OF THE BOARD

Misty Mountain Gold Limited



Robin A. Slaughter
Director

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

Misty Mountain Gold Limited

1130, 777 Burrard Street
Vancouver, B.C. V7Y 1K4
Tel: (604) 681-6186:
Fax: (604) 681-3652
1-800-285-2170
Contact: Robin Slaughter
Symbol: TSE/VSE: MGL

Romulus Resources Ltd.

1020, 800 West Pender Street
Vancouver, B.C. V6C 2V6
Tel: (604) 684-6365
Fax: (604) 684-8092
Contact: Robert G. Hunter
Symbol: VSE:RRU

JOINT NEWS RELEASE

*Vancouver, B.C., November 2, 1995.....*Misty Mountain Gold Limited (the "Company") and Romulus Resources Ltd. ("Romulus") are pleased to announce that at the Company's Annual General Meeting held on October 27, 1995, the majority of the Company's minority shareholders approved the Plan of Arrangement with Romulus pursuant to the terms and conditions in the Arrangement Agreement between the Company and Romulus, as previously announced. This is subsequent to approval by Romulus shareholders on October 18, 1995 and the B.C. Supreme Court approval on October 23, 1995. As a result of the Arrangement, Romulus will become a wholly-owned subsidiary of the Company.

The Company has received the acceptance of the Toronto Stock Exchange for the proposed consolidation of its shares 10:1 and the Arrangement with Romulus, subject to the completion of certain requisite filings. The company is now proceeding to close the transaction in coordination with the Toronto Stock Exchange and the Vancouver Stock Exchange on Monday, November 6, 1995 effective as of commencement of trading on November 7, 1995. Misty's trading symbol will not change.

Romulus, on behalf of the new "Misty Mountain Gold Limited" is carrying out a drilling programme at the Harmony Gold Project on Graham Island, B.C. Two diamond drill rigs are currently operating on site. The initial programme comprises 57 holes with some 8,000 meters of diamond drilling. The purpose of the programme is to upgrade the deposit gold reserves previously calculated to contain 2.6 million ounces (32 million tonnes at 2.5 gpt gold).

Initial results from the first holes will be released as soon as available.

ON BEHALF OF THE BOARD

Misty Mountain Gold Limited



Robin A. Slaughter,
President and Director

ON BEHALF OF THE BOARD

Romulus Resources Ltd.



Robert G. Hunter,
Chairman and Chief Executive Officer

MISTY MOUNTAIN GOLD LIMITED
1130-777 DUNSMUIR STREET
VANCOUVER, B.C.
V7Y 1K4
(MGL:TSE/VSE)

ROMULUS RESOURCES LTD.
1020-800 WEST PENDER STREET
VANCOUVER, B.C.
V6C 2V6
(RRU:VSE)

July 31, 1995

MISTY AND ROMULUS TO MERGE

Robert G. Hunter, Chairman of Romulus Resources Ltd. ("Romulus") and Raymond J. Soper, Chairman of Misty Mountain Gold Limited ("Misty") are pleased to announce that the Board of Directors of each company have agreed in principle to a merger of the two companies. Management and certain significant shareholders of each company have agreed to enter into a lockup agreement to actively support the merger proposal which will be presented to the shareholders of each company for their approval within approximately 75 days. The merger, following the execution of definitive agreements, is also subject to judicial, regulatory and shareholder acceptance.

It has been decided that the most effective merger arrangement is for Misty to be the successor company. Misty has agreed to issue 4.25 shares for each Romulus share. The successor company will exchange 1 share for every 10 held on completion of the merger which will result in approximately 9.2 million shares issued on a fully diluted basis. The former shareholders of Romulus will have approximately 4.6 million shares and Misty shareholders will have approximately 4.6 million shares on a fully diluted basis. All options and warrants of both companies will be exchanged on the same basis.

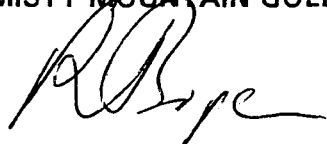
The Board of Directors of the merged company, to be called "Misty Mountain Gold Ltd." or such similar name as is acceptable to security regulators, will include representatives of both Misty and Romulus. The merged company will be managed by the Hunter Dickinson team and will have a 100% working interest in the Harmony Gold Project. The merged company will be well capitalized with approximately \$2.3 million in cash currently and approximately \$7 million in cash on a fully diluted basis, after the exercise of outstanding options and warrants. Further, the merged company will be entitled to the use of approximately \$58 million in tax pools to offset future potential income.

The Harmony Gold Project, located on Graham Island, Queen Charlotte Islands, Haida Gwaii, British Columbia, consists of a vast 170 square mile mineral claim holding covering one of the world's premier bonanza gold systems, including the Specogna Deposit which is central to the property and contains over 3 million ounces of gold on a drill indicated basis.

This year, a staged multi-million dollar exploration and development program commenced following the initiation of an open and ongoing consultation process with local people. The program includes a widespread airborne geophysical survey. A major exploration drilling program is ready to start, the companies having recently received the relevant permits. Successful results could lead to engineering, mine planning and permit application for a substantial gold mine, utilizing low impact mining methods.

On Behalf of the Board

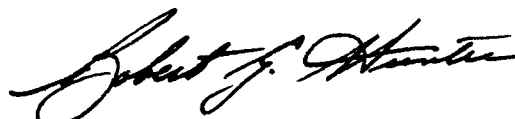
MISTY MOUNTAIN GOLD LIMITED



Raymond J. Soper
Chairman

On Behalf of the Board

ROMULUS RESOURCES LTD.



Robert G. Hunter
Chairman

**Misty Mountain
Gold Limited**

1020 • 800 W Pender St
Vancouver BC
Canada V6C 2V6
Tel 604 684 • 6365
Fax 604 684 • 8092
Toll Free 1 800 667 • 2114

March 28, 1995

**HARMONY GOLD PROJECT UPDATE
"EXTENSIVE EPITHERMAL GOLD DISTRICT DEVELOPING"**

Robert G. Hunter, Chairman of Romulus Resources Ltd. (RRU:VSE) is pleased to provide an exploration update of the Harmony Gold Project (which includes the Specogna Deposit, formerly operated by Consolidated Cinola Mines Ltd.), on Graham Island, British Columbia, Canada. As announced on November 21, 1994, Romulus and Misty Mountain Gold Limited (MGL:TSE/VSE) have agreed to actively explore and develop the Project with Romulus as operator. Romulus has now expanded the Project's mineral claim base from 100 square miles to 168 square miles by completing extensive claim staking and by acquiring, from Doromin Resources Ltd., an option to earn a 75% interest in the 0.8 square mile El Ninio mineral claim. Furthermore, an initial 1,487 soil and lithogeochemical sample program, geological mapping and a detailed review of the existing voluminous development data derived from the over \$40 million expended by past operators on the Specogna Deposit area has been completed. This work has identified numerous prospective environments for hosting additional gold deposits outside the existing Specogna Deposit resource of 34.5 million tons grading 0.064 oz/ton (2.2 million ounces of contained gold) which is located within the Specogna-Sandspit Fault system.

To further assess the Harmony Gold Project a \$400,000, high resolution, multiparameter airborne geophysical survey totalling 2,697 miles of flight lines over the entire property will begin on March 28, 1995. The airborne survey will identify and trace favourable structures and alteration zones. Concurrently, Romulus will integrate into the data base other pertinent data including updated Geological Survey of Canada mapping of the Gold Creek and Juskatla Volcanic complexes, which indicates many previously unrecognized potential ore hosting features within the Project area. This work will be followed by extensive drilling and exploration programs to test prospective gold deposit targets at the Specogna Deposit and in the region.

The Specogna epithermal gold deposit and related high level intrusions occur at the intersection of the Gold Creek Volcanic Complex and a dilational jog in the Specogna-Sandspit Fault system. The Specogna Deposit is characterized by the repeated activation of this structural environment. Intrusions into fault structures have caused the formation of a pervasive, silicified, disseminated gold system. Continued activation of the structures formed gold-bearing stockwork fractures and veins within the silicified rocks. A later fracture set was filled by higher grade gold-quartz veins. The higher grade veins exposed in the existing 2,400 feet of underground workings developed within the Specogna Deposit are believed to coalesce at depth.

To take advantage of the significant geological features in the region, claims have been staked to cover 16 miles of strike length of the key Sandspit Fault, 9 miles of the Specogna Fault and other parallel and subsidiary fault structures. Project claims also cover 6 miles of strike length of a large dilation zone within the paralleling Rennell Sound Fault system which lies to the west. The claims encompass 87% (10 square miles) of the Gold Creek Volcanic Complex and 40% (14 square miles) of the extensive Juskatla Volcanic Complex.

At the Specogna Deposit, the presence of silica sinter indicates a near surface ore forming environment, under which the potential exists for the discovery of bonanza gold veins. Bonanza potential is demonstrated by previous drill hole intersections of veins at moderate depths grading up to 4.55 oz/ton gold over 6.6 feet. Some examples are:

DRILL HOLE	LENGTH (feet)	GOLD GRADE (oz/ton)
78-06	72.0	0.69
including	39.4	1.00
including	13.1	1.91
79-02	65.6	0.40
including	26.2	0.84
79-11	19.7	1.06
79-50	52.5	0.20
including	6.6	4.55
79-57	19.7	0.52
80-81	6.6	4.03
81-138	72.2	0.30
including	26.2	0.67
including	6.6	2.40
86-17	19.7	1.09

Previous developers of the Specogna Deposit did not consider the potential to develop higher grade gold zones by low impact mining methods but instead focused on developing a large scale, low grade, open pit mine. Therefore, many of the historic, typically 400-600 foot long, vertical holes were oriented parallel to higher grade gold veins. Drill hole patterns of this type often downgrade a deposit by not testing a representative sample of mineralized structures.

In contrast to the previous developers' focus, Romulus Resources Ltd.'s 1995 drill program will include drill holes oriented to optimize the sampling of higher grade vein zones, delineate these higher grade zones and test for bonanza veins below the Specogna Deposit. In addition, drilling will test mineralization along strike and down dip from the Marino Bonanza Zone located in the exposed footwall of the Specogna Deposit where 7 tons of ore grading 4.2 oz gold/ton were shipped by a previous operator.

Romulus is very confident that in the months ahead significant exploration results can be achieved and a development program can be produced for the Harmony Gold Project which will eliminate environmental risks while maximizing benefits to communities in the region.

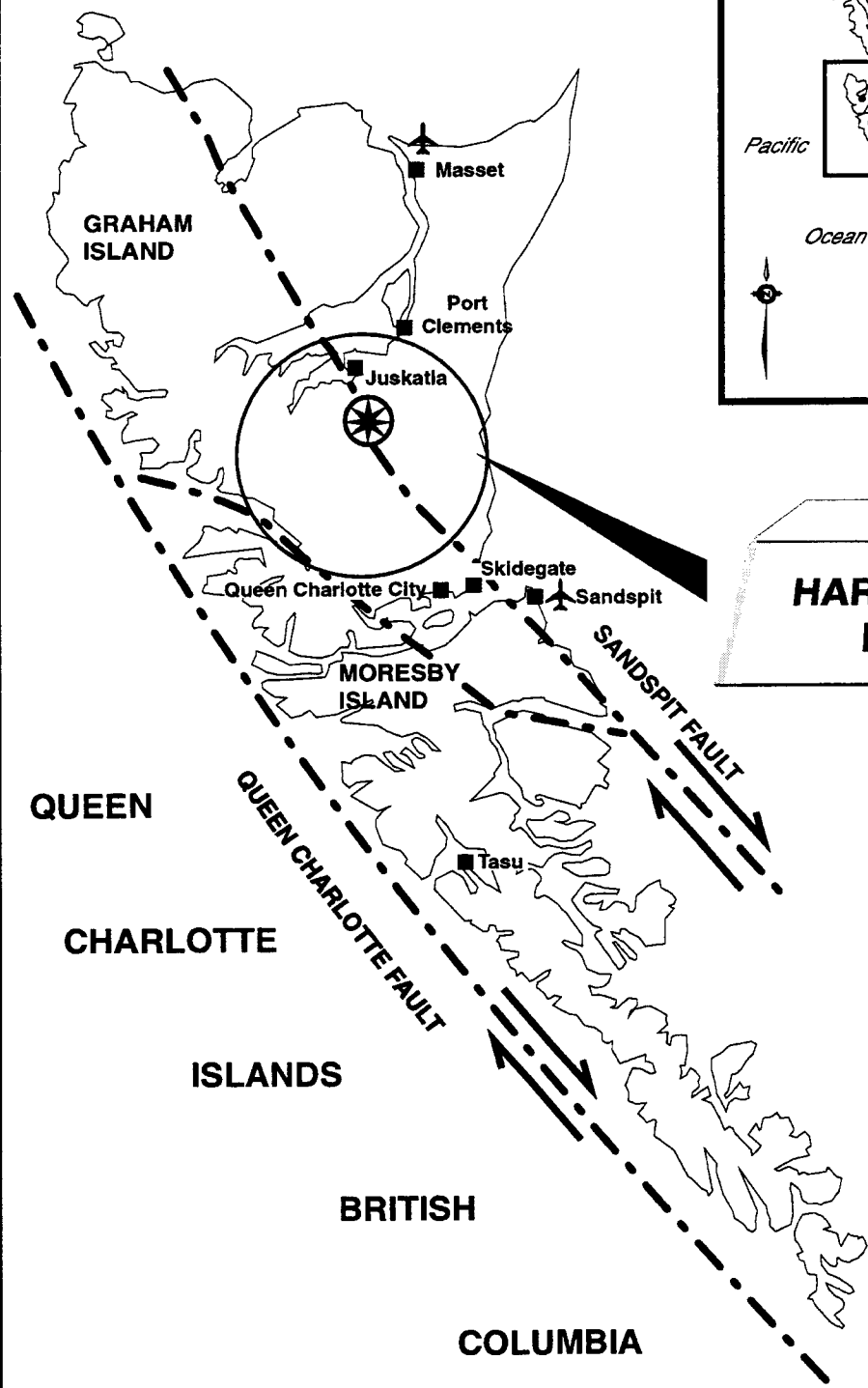
ON BEHALF OF THE BOARD



Robert G. Hunter
Chairman

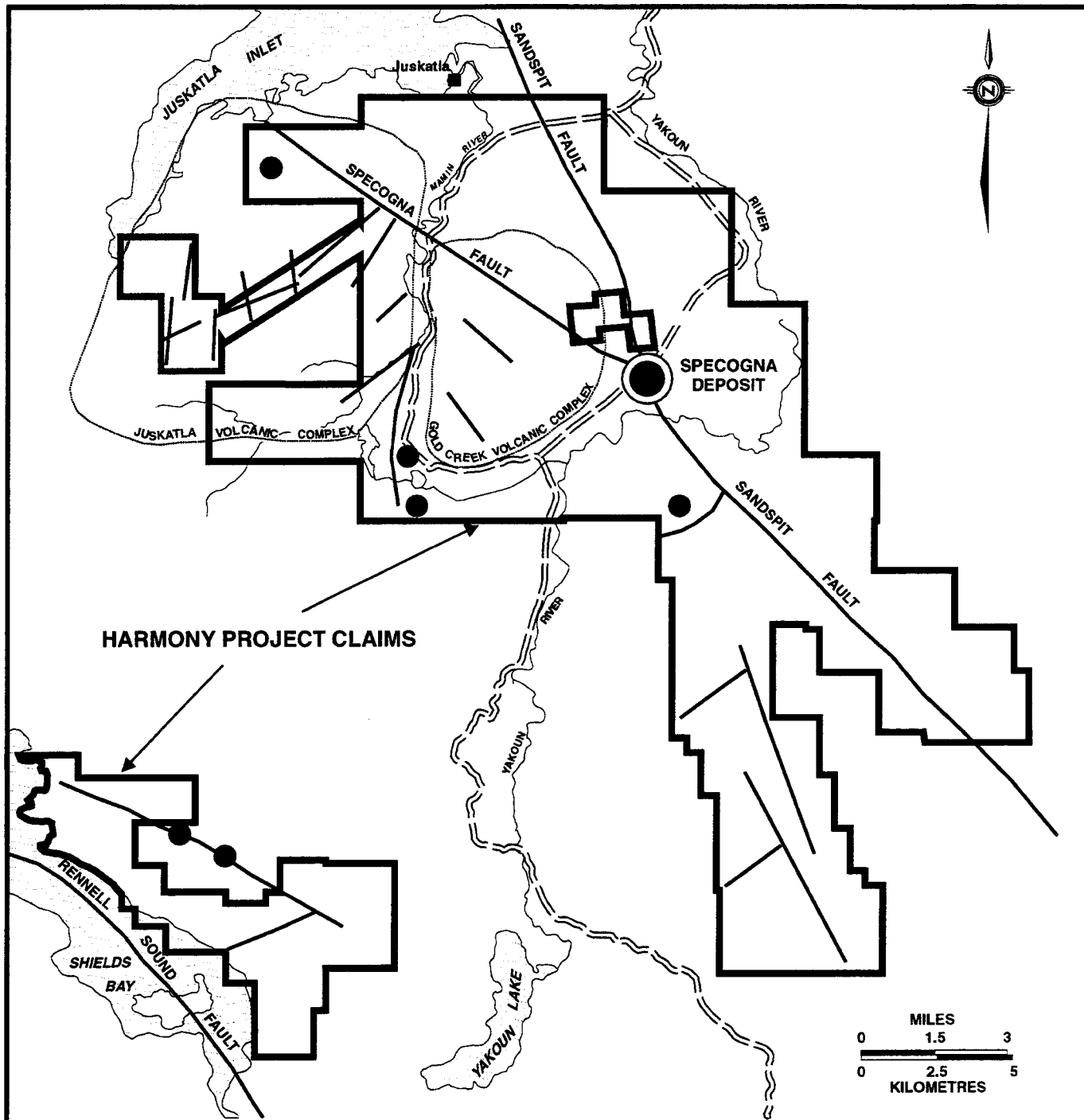
The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

ROMULUS RESOURCES LTD.



**HARMONY GOLD
PROJECT**

Figure 1

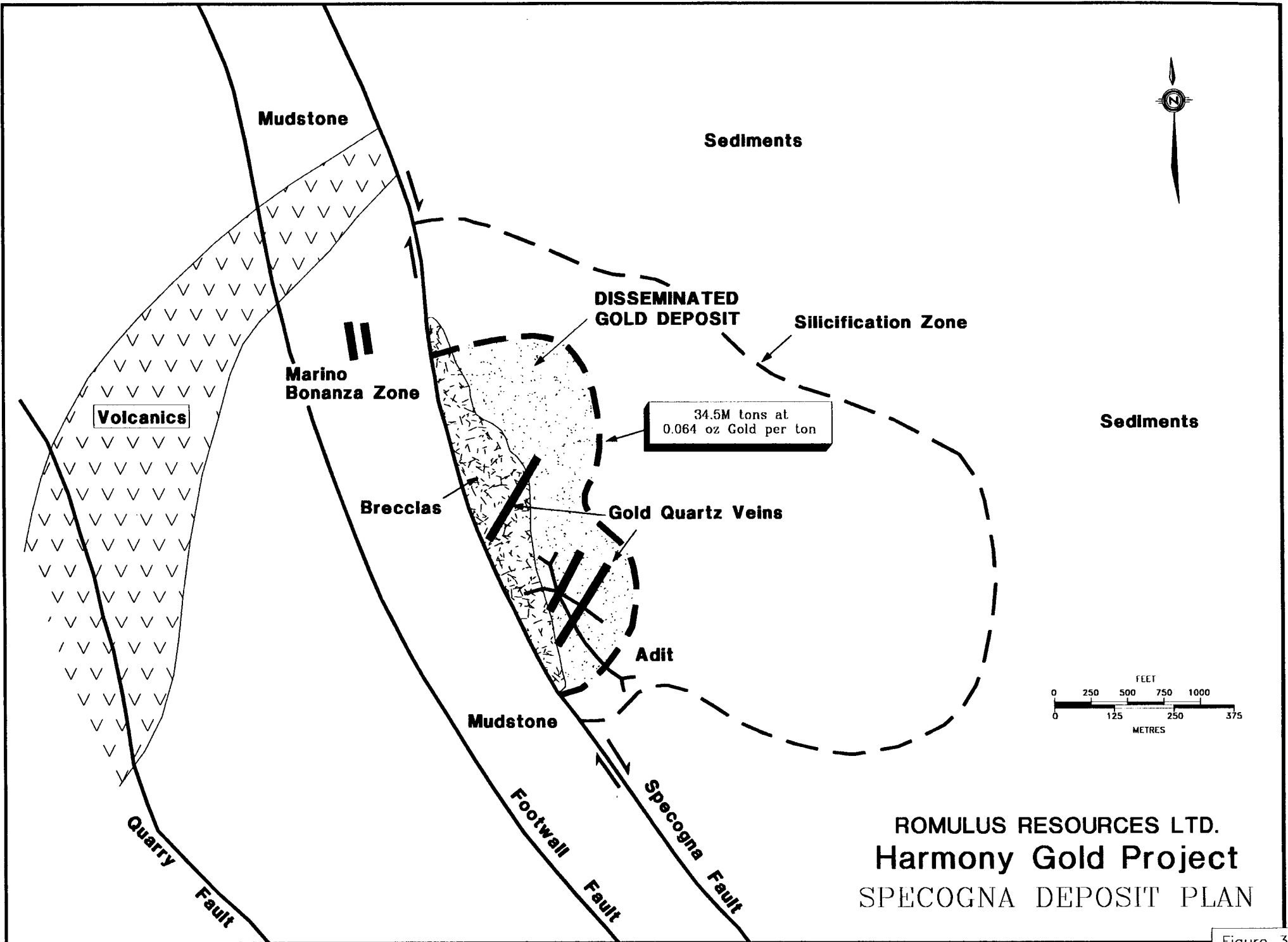


LEGEND

- GOLD OCCURRENCE
- - - TERTIARY VOLCANIC COMPLEX
- FAULTS
- == EXISTING MAIN ROADS

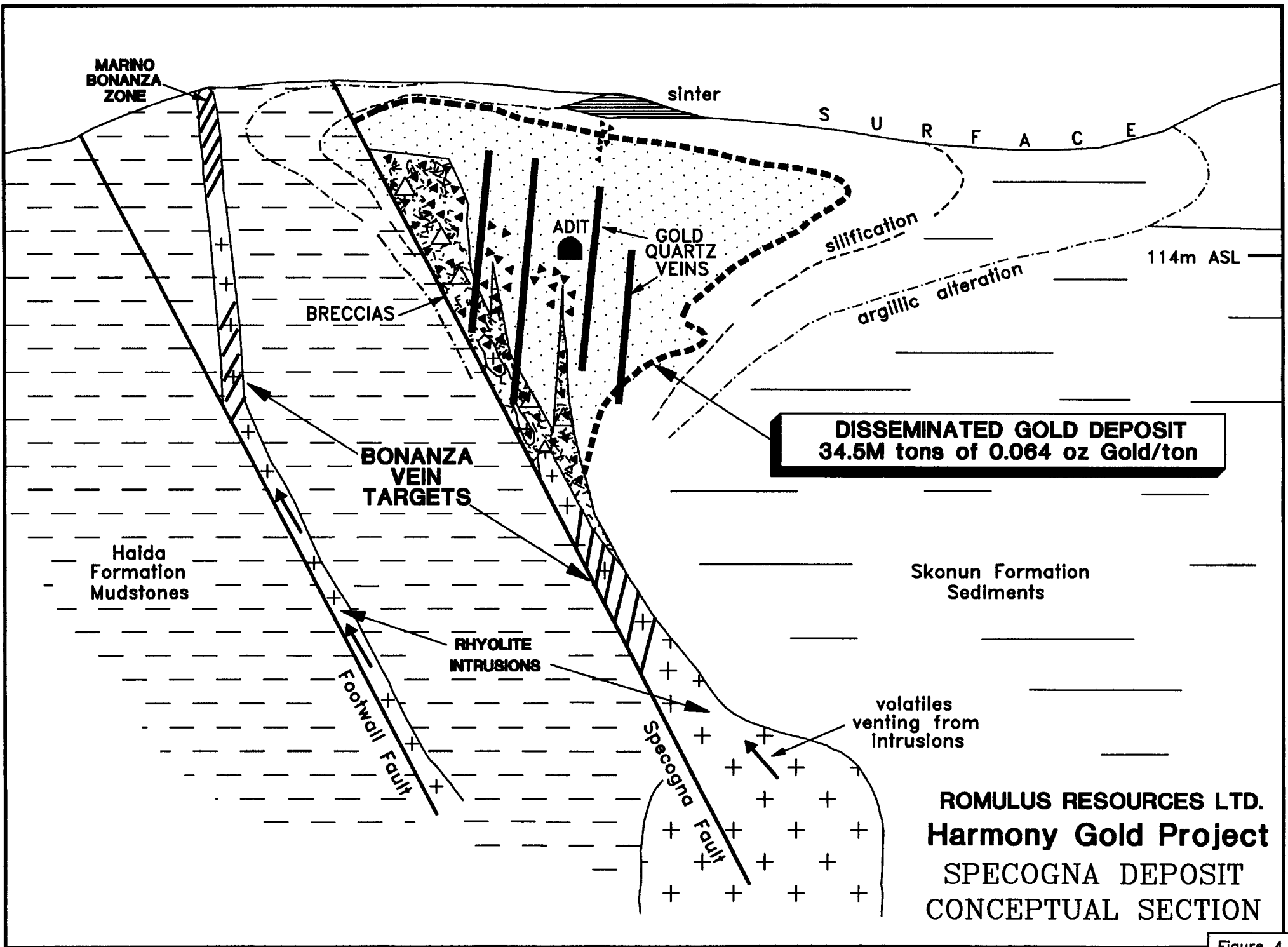
ROMULUS RESOURCES LTD.
Harmony Gold Project
PROPERTY GEOLOGY

Figure 2



ROMULUS RESOURCES LTD.
Harmony Gold Project
 SPECOGNA DEPOSIT PLAN

Figure 3



DISSEMINATED GOLD DEPOSIT
34.5M tons of 0.064 oz Gold/ton

ROMULUS RESOURCES LTD.
Harmony Gold Project
SPECOGNA DEPOSIT
CONCEPTUAL SECTION

Figure 4

Misty Mountain Gold Limited
Suite 1130, 777 Dunsmuir Street
Vancouver, B.C.
V7Y 1K4

Tel: 604-681-6186
Fax: 604-681-3652

Romulus Resources Ltd.
Suite 1020, 800 West Pender Street
Vancouver, B.C.
V6C 2V6

Tel: 604-684-6385
Fax: 604-684-8092

November 21, 1994

RADICALLY NEW PLANS FOR CINOLA

Robert G. Hunter, Chairman of Romulus Resources Ltd. (RRU:VSE) and Robin A. Slaughter, President of Misty Mountain Gold Limited (MGL:TSE/VSE) are pleased to announce that the Companies have entered into an agreement to actively explore and if warranted develop the Cinola Gold Project utilizing radically different development concepts than proposed by former operators. Following the immediate initiation of an open and ongoing consultation process with local citizens, a major, large diameter, exploration drilling program will commence in 1995. The objective of the drill program is to delineate high grade gold reserves and collect appropriate material for definitive metallurgical testing of high grade gold zones. Successful results from this program could lead to engineering, planning and applying for permits for a substantial high grade gold mine utilizing underground or other low impact mining methods. Cinola, the most important known gold field in British Columbia, is located 18 kilometres south of Port Clements, Graham Island, Queen Charlotte Islands.

Under the agreement Romulus has acquired, subject to Stock Exchange acceptance, the right to earn a 50% interest in the Cinola Property and be the Operator of a Joint Venture between Romulus and the property holder Misty Mountain. Romulus will spend up to \$15 million on exploration and development within a staged period to earn its 50% interest. Following earn-in, Romulus and Misty plan to further advance the Project on a 50:50 joint venture basis. Romulus will be preferentially reimbursed for up to \$9 million of its expenditure from cash flow from a mine and in certain other events.

Since 1970 when the Cinola deposit was discovered, over \$40 million has been spent by former operators on trenching, drilling, underground development, bulk sampling, pilot mill testing, environmental surveys and feasibility studies. This work determined a mining reserve for the deposit of 31.3 million tonnes with a diluted grade averaging 2.2 g Au/t (0.06 oz/T), mineable in an open pit at a stripping ratio of 1.7 tonnes of waste to one tonne of ore. The resource delineated contained over 3 million ounces of gold.

Cut-Off g/t	Resource million tonnes	Grade		Contained Gold million ounces
		g/t	oz/T	
0.0	112	1.1	0.03	3.8
0.6	69	1.7	0.05	3.4
1.1	32	2.5	0.07	2.6
2.0	11	4.4	0.13	1.6
3.0	5	6.8	0.20	1.1

Previous work conducted at Cinola, focused almost entirely on outlining a low grade gold resource amenable to large scale open pit mining methods without fully considering the potential to develop high grade gold zones by alternative mining methods. Review of past drill results, however, indicates excellent potential to develop high grade gold reserves. Furthermore, recent structural and geological analysis of the Cinola Property has revealed previously unrecognized areas of high exploration priority. The known gold deposit is located near surface at the top of a hydrothermal hot spring system that developed along a fault structure. Gold grades in this type of system typically increase with depth and often culminate in very high grade bonanza ore bodies. At Cinola, past drilling intersected high grade gold zones, within and below the previously proposed open pit, adjacent to the associated fault structure, with some of the deepest drilling encountering the highest gold grades. Intersections such as 72 feet grading 0.76 oz/T, 66 feet grading 0.26 oz/T, 72 feet grading 0.33 oz/T, 20 feet grading 1.1 oz/T, 26 feet grading 0.36 oz/T and 7 feet grading 4.4 oz/T point to high grade gold potential.

The principal factors which have precluded development of the Cinola deposit to date are environmental concerns about potential acid rock drainage which might be produced by a large scale, open pit mine and low metallurgical recoveries from low grade gold ore. Review of the Project's extensive data base, however, indicates that both the metallurgical and environmental difficulties may have resulted from the former operator's assumption that the Cinola Project was best developed as a large scale, open pit mine treating low grade ore.

Previous metallurgical test work has shown that the amount of gold not recovered by processing is fixed irrespective of the grade, suggesting that gold recoveries should improve with the processing of high grade material. Also, previous test work on samples composited to represent the low grade ore expected from the large open pit planned at that time may not have properly evaluated the fact that there are at least two main ore types; low grade disseminated ore and higher grade vein type ore. Recoveries of gold from low grade ore were below 80%, however laboratory scale test work on high grade samples produced gold recoveries in excess of 90%

Unfortunately, in the past, industrial interests have not worked in co-operation and consultation with local community members. Their principal environmental concern, the potential for acid rock drainage, was compounded due to the significant amounts of potentially acid generating waste rock which would have been produced by the previously proposed large scale, open pit mine plan. The location of waste rock sites proposed in that plan, in relatively close proximity to the Yakoun River, an important salmon resource, was a legitimate concern of First Nation and other community people. Local citizens have, however, not prevented any developmental work at Cinola. The area has been extensively logged and permitting by former mine development proponents was advanced.

The Companies are very confident that in the months ahead a development program for the Cinola Project can be produced, which will eliminate environmental risks and adverse cultural impact while maximizing benefits to communities in the region.

On Behalf of the Board

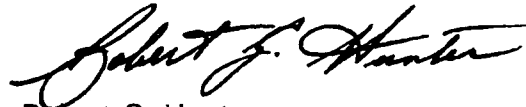
MISTY MOUNTAIN GOLD LIMITED



Robin A. Slaughter
President

On Behalf of the Board

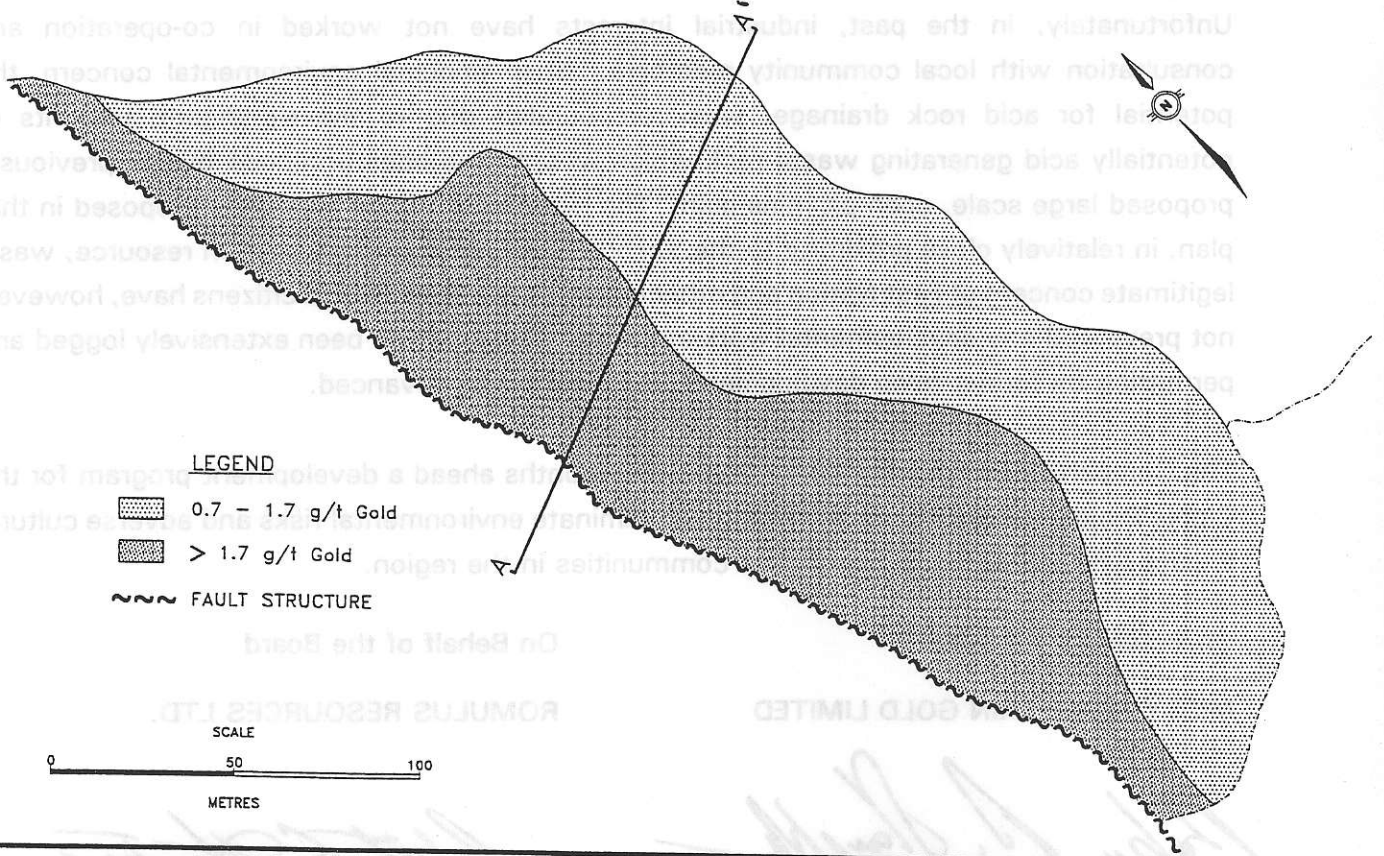
ROMULUS RESOURCES LTD.






Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

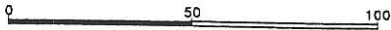
**SCHEMATIC PLAN VIEW
CINOLA DEPOSIT**



LEGEND

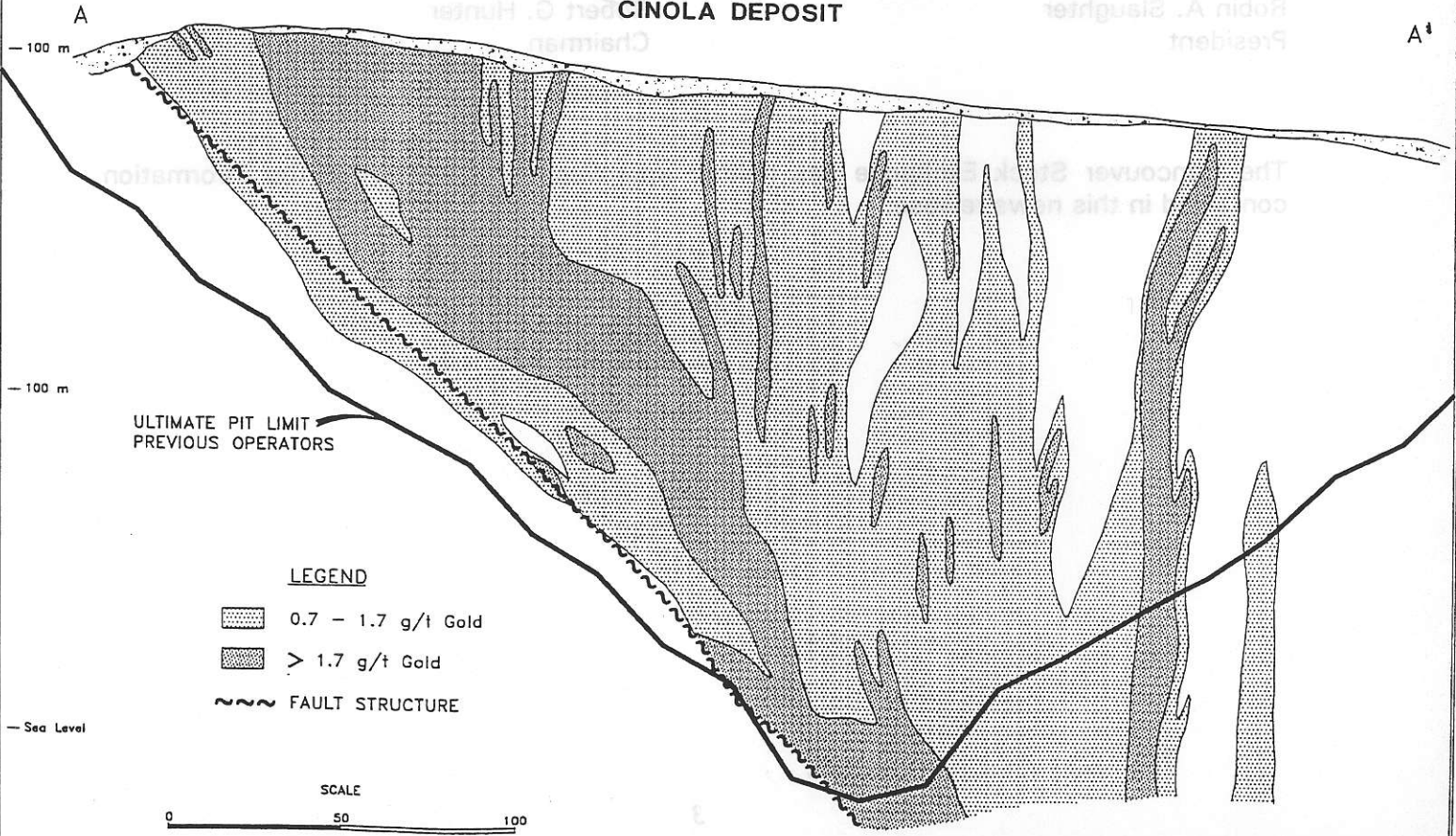
-  0.7 - 1.7 g/t Gold
-  > 1.7 g/t Gold
-  FAULT STRUCTURE

SCALE






METRES

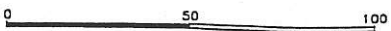
**SCHEMATIC CROSS SECTION
CINOLA DEPOSIT**



LEGEND

-  0.7 - 1.7 g/t Gold
-  > 1.7 g/t Gold
-  FAULT STRUCTURE

SCALE



METRES

**ROMULUS RESOURCES LTD.
MISTY MOUNTAIN GOLD LIMITED**