



# Skyline Gold Corporation

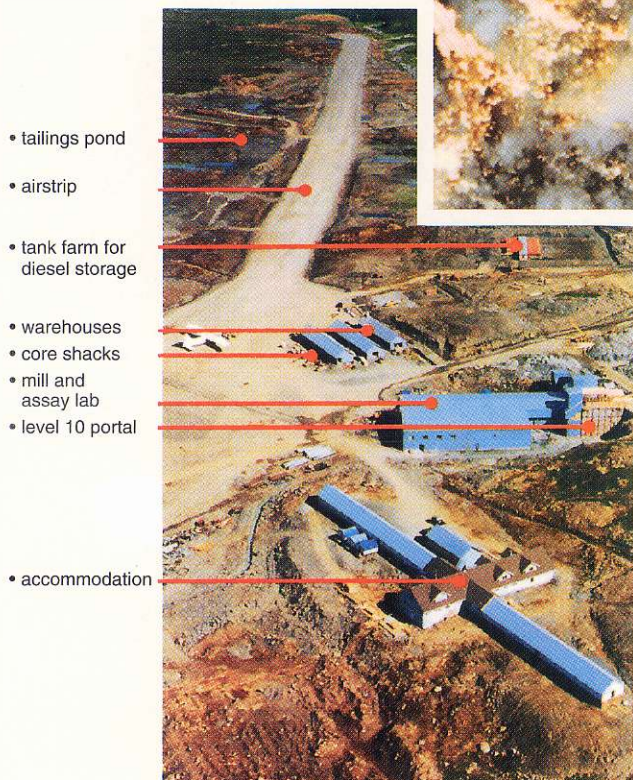
## ■ CORPORATE SUMMARY ■

**Overview** – Skyline Gold Corporation owns richly mineralized and extensive holdings in the Iskut River region of northwestern British Columbia. The Company has explored only 15% of its 22,000 acres located in the northwest corner of the Stewart Complex, a geologic terrain noted for major gold, silver, copper, lead, zinc and molybdenum mines.

Skyline's "Johnny Mountain" mine was in production from August, 1988 to September, 1990. During the first two years of operations, the mine produced in excess of 85,000 ounces of gold grading .5 oz. per ton, 133,000 ounces of silver and 2,100,000 lbs. of copper – \$42 million in revenues.

The mine and a 400 tons per day modern mill facility and all mining equipment and a full complement of buildings are well maintained so production can be initiated on short notice.

**Inset: Vein sample from Johnny Mountain Mine**  
**Below: Over \$30 million has been invested in infrastructure**



**"There is substantial reserve potential at the mine . . . and potential to define additional reserves in 16 separate gold-bearing vein targets within and adjacent to the mine at grades similar to past production."**

**"The Bronson Creek porphyry system has many of the geological and exploration characteristics to develop into a world-class porphyry deposit conservatively estimated to have a potential in excess of 100 million tons of copper-gold-zinc-molybdenum mineralization."**

Skyline evaluation reports, October, 1992, by Mr. A.A. Burgoyne, P. Eng., exploration leader in the discovery of Placer Dome's Kerr deposit

**Management** – To revitalize this past producer, Mr. Cliff Grandison, former Vice-President of Placer Dome, is assisting with a program of financial restructuring, in combination with exploration and development to create a reserve base. Mr. Grandison served Placer Dome for 27 years (until July, 1992) raising capital and financing on a corporate and project basis for domestic and international projects exceeding \$1 billion and managing cash flow in excess of \$1 billion annually.

**Outlook** – • substantial reserve potential grading .6 oz. of gold per ton of ore; • several areas with high potential for gold bearing shear veins; • potential for a 100 million ton porphyry-gold-copper deposit and • possible extensions of the SNIP shear vein system. (The Cominco/ Homestake SNIP gold mine produces 330 tons per day grading .85 oz. of gold per ton of ore and is located within 650 feet of the Skyline property).

With a corporate restructuring in progress under expert management, high-grade properties, past production history and located next-door to a high-grade mine rapidly approaching the Company's boundary, Skyline is in a position to, in the words of Mr. Grandison, "Give shareholders a renewed opportunity for growth."

**For more information contact Geneva Consulting**  
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Shares issued:	10,370,000	Symbol:	SKX
Listed:	Toronto & Vancouver	Warrants &	
Exemption:	12-g 3-2 (b)	Options:	Nil



# NEWS

SKYLINE GOLD CORPORATION 301 - 675 W. Hastings St., Vancouver, B.C. V6B 1N2 (604) 683-6865 Faxline (604) 683-7449

Listed: Toronto Stock Exchange and  
Vancouver Stock Exchange

Trading Symbol: SKX

**IMMEDIATE RELEASE  
JANUARY 28, 1993**

## **SKYLINE SETTLES BANK INDEBTEDNESS**

Mr. Ronald C. Shon, Chairman and Chief Executive Officer, today announced an Agreement with respect to the settlement of the Company's \$2.6 million debt to the Royal Bank of Canada.

The Agreement under which the Bank has agreed to settle the Company's outstanding obligations include the following principal conditions:


- 1) An immediate payment of \$739,500 by Skyline, funds to be obtained by way of a private placement, from a company controlled by Mr. Ronald C. Shon. The placement is for 321,500 shares at \$2.30 per share;
- 2) The issuance of 369,783 common shares to the Bank, at a price of \$2.30 per share, with a current market value of \$850,500. (The Bank has undertaken not to sell in excess of 1/5 of their holdings per month or 73,957 shares per month);
- 3) A deferred payment of approximately \$1 million to be repaid in two years as cash benefits are realized from operations;

This Agreement is subject to regulatory approval.

Regarding the settlement, Mr. Shon commented, "The retirement of the Royal Bank debt is the cornerstone of our financial plan which it is intended will include the restructuring of the Company's remaining debts in the near term. We view the financial restructuring as an important aspect of the re-organization of Skyline Gold Corporation, and as an essential component of our Business Plan and in the development of future opportunities".

Dated at Vancouver, B.C. the 28th day of January, 1993.

**SKYLINE GOLD CORPORATION**

Per:   
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R.C. Shon, President and  
Chief Executive Officer

*The Vancouver Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.*