

SULPHURETS GOLD CORPORATION

KERR PROPERTY

B ZONE COPPER-GOLD DEPOSIT

Sulphurets Gold Corporation owns 100% interest in the Kerr Property located in west central British Columbia approximately 62 km north-northwest of Stewart, B.C.

Diamond drilling in 1988 confirmed the presence of widespread copper mineralization within an alteration zone 500 metres (1600 feet) wide and 1500 metres (5000 feet) long. Along the eastern margin, a thick, consistent high-grade deposit, called the B Zone, grading between 0.8% and 1.0% copper and 0.34 grams of gold per tonne (0.10 ounces gold per ton) has been defined by 12 drill holes. Only a portion of the property has been explored and the potential to establish considerable reserves is excellent.

The B Zone deposit dips 50° to the west and has been intersected over a 1000 metre (3280 foot) length, a 200 metre (600 foot) width and an average 100 metre (330 foot) thickness. Additional diamond drilling is required to confirm reserves; however calculations, using a specific gravity of 3.0 and the above dimensions, yield a deposit of 60 million tonnes (66 million tons). The average grade of the intersections in this deposit is 0.86% copper, 0.34 grams gold per tonne (0.010 ounces gold per ton) and 2.06 grams silver per tonne (0.06 ounces silver per ton). The deposit is open to the north and south and at depth.

Copper mineralization consists of chalcopyrite, tennantite, bornite, primary chalcocite, some secondary chalcocite and traces of native copper, occurring as fine disseminations or in veinlets. The host unit is a quartz-sericite schist, probably originally a dacite tuff, that is well foliated and broken by faulting.

Induced polarization gives a low resistivity/high chargeability anomaly coincident with the high-grade mineralization. This anomaly is open and extends 700 metres (2300 feet) north and 150 metres (500 feet) south of the existing known mineralization.

Peripheral to the porphyry deposit are numerous high-grade gold-silver veins that have also been explored. Values of up to 144 grams gold per tonne (4.2 ounces gold per ton) and 500 grams silver per tonne (14.6 grams silver per ton) have been obtained.

The Kerr Property is rapidly developing into a major deposit. An intensive program of diamond drilling, induced polarization surveying, geological mapping, camp and road construction, and metallurgical, economic and environmental studies is recommended for 1989.

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