

SILVER KNIFE

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Reg Resources Corp.

820245

#216 - 8055 ANDERSON ROAD
RICHMOND, B.C. V6Y 1S2
Tel. (604) 278-4455

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19th March, 1986

This is the ground immediately W. of Silverknife that I mentioned as possible additional ground.

NEWS RELEASE

SILVERCUP, SILVERSPOON CLAIMS, ET AL

Reg Resources Corp. wishes to announce that an agreement has been negotiated on the Packard/Megaline claims, located in the Liard Mining Division of British Columbia (a lead, zinc, silver prospect).

Flame Petro-Minerals Corp. (a private company) will pay to Reg Resources Corp. \$25,000 cash and spend a minimum of \$100,000 this year on exploration (mostly diamond drilling) to earn a 50% interest in the Reg Resources option agreement. Thereafter Flame Petro-Minerals Corp. and Reg Resources will share the exploration costs equally.

Reg Resources Corp. can earn a 51% interest in the two hundred units by spending \$250,000 over a three year period. Several good lead, zinc and silver anomalies have been located on these claims.

SILVERKNIFE CLAIMS

Negotiations to bring in a major company to further develop the Silverknife claims have taken place and results will be announced shortly.

The 1985 exploration program on the Silverknife claims, consisting of 7,600 feet of diamond drilling, has resulted in the discovery of an excellent lead, zinc, silver (plus gold and tin) zone and geochemical sampling has indicated the presence over one mile of geochemical anomalies which may represent the extension of the mineralized zone.

An aggressive drilling program is recommended this year by Dr. Gary Medford, our consulting geologist, to test the one mile of geochemical anomalies.

ON BEHALF OF THE BOARD

John G Robertson
President

Phoned me March 24/86 - told him I'd review data.

The Vancouver Stock Exchange has neither approved nor disapproved the information contained herein.