

SORATA DEVELOPMENTS INC. (SOA-V)

CZECHOSLOVAKIAN PROJECT PLANNED - Peter E. Kayne, president, reports Sorata Developments Inc. has entered into a business venture with Vychodoceske Uhelne Doly (VUD), a State agency of Czechoslovakia, to market, manufacture and install pre-fabricated panelized building units on a nation wide basis. The venture, in which Sorata will have a 51% interest, will be licensed to use Sorata's technology under a royalty agreement. Sorata will also supply certain equipment and raw materials to the venture while VUD will provide plant facilities, labour, marketing and management staff.

Sorata and VUD plan to produce 200 building units per month after one year, 500 units per month after two years and 1,000 units per month after three years. The average value of a building unit is US\$15,000, plus installation and finishing. The parties expect the project to be operating by spring 1992. The initial budget of US\$500,000 will complete such preliminary steps as marketing studies, Czech Government approval of Sorata's technology and the finalization of VUD's privatization. Sorata will pay a finders fee.

In another development, Sorata has completed the production of stress-skin panels for the Cominco Lead Absorption Tower at Trail, B.C.; construction is on schedule. (SEE GCNL No.132, 10Jul91, P.3 FOR PREVIOUS INFORMATION)

CHELAN RESOURCES INC. (CJN-V)

OIL & GAS ACQUISITION - Lynn Winter, president, reports Chelan Resources Inc. has agreed in principle to acquire a 50% working interest in an oil field near Bakersfield, California. The property runs contiguous to a 20-acre field where the company already holds a 50% interest in nine wells in Kern county. Under the terms, Chelan will provide all costs of drilling up to completion in order to earn a 50% working interest in all wells completed. Cost of the acquisition is 100,000 shares at a deemed price of 20¢ each. Chelan estimates drilling costs to be about US\$400,000 and is negotiating a funding arrangement. Engineering reports on the 300-acre field indicate in excess of 350,000,000 barrels of oil in place through some 15 pay zones.

Chelan is buying a complete drill rig with a 8,500-foot capacity. Drilling permits have been applied for with drilling to start upon receipt. (SEE GCNL No.173, 9Sep91, P.4 FOR OTHER PROJECT INFORMATION)

TROPICANA DEVELOPMENT CORP. (TNA-V)

ROADRUNNER DRILLING TO BEGIN - Mike Muzykowski, director, Tropicana Development Corp., reports drilling will start within a week on the 100%-owned Roadrunner gold project located in northwest Mohave county, Arizona, about 65 miles north of Kingman in the Gold Basin mining district. A total of 3,000 feet of reverse circulation drilling is planned for the first series of holes where surface exploration has yielded chip samples with values up to 2.0 oz. gold/ton. Two areas of merit, indicated by geochemistry, have been defined in surface exploration covering 1.5 km. Eight holes in the program will be drilled below the old workings of three former mines and two holes will test the 600-meter intervening area between the structures. (SEE GCNL No.155, 13Aug91, P.4 FOR RELATED INFORMATION)

OPTIMA ENERGY CORP. (OAE-V)

FRASER DELTA FARMOUT COMPLETED - Robert Hodgkinson, president, reports Optima Energy Corp. has finalized a U.S. Fraser Delta farmout with operator Canadian Hunter Exploration and Cascade Natural Gas as farmees. Inland Natural Gas & Oil Corp. and EPIC RESOURCES (BC) LTD. (ERB-V) are also participants. The agreement provides for the immediate drilling of two test wells for petroleum and natural gas on lands located in Watcom county, Washington State. The agreement also provides for the drilling of

additional wells on an option basis. The first test should begin by the end of October with the second test expected to follow within 30 days of rig release of the first test. Each well is proposed to be drilled to about 6,000 feet deep, sufficient to test the thick Eocene Chuckanut sands for prospective reservoirs that may contain significant quantities of gas, based on geologic and seismic information. Drilling each well should require 30 days.

Optima Energy Corp. has a 10.5% working interest in this phase of its Fraser River Delta exploration program in addition to a 1.5% gross overriding royalty on over 70,000 acres under lease in the Delta. The agreement is the continuation of a wildcat hydrocarbon exploration program that began with the AHEL Birch Bay No.1 well drilled in early 1988. (SEE GCNL No.188, 30Sep91, P.2 FOR OTHER PROJECT INFORMATION)

DYNAMIC OIL LTD. (DOL-V; DYOLI-Nasdaq)

MUD BAY WELL ABANDONED - Wayne J. Babcock, president, Dynamic Oil Ltd., reports the Mud Bay d-95 -D exploration well, the first of three to be drilled in the Fraser River Delta southeast of Vancouver, B.C. did not encounter significant volumes of natural gas. The drilling rig will be released Oct.1 after abandonment operations. Dynamic has a 33% working interest in over 80,000 acres of petroleum and natural gas rights in the Fraser Valley. (SEE GCNL No.180, 18Sep91, P.3 FOR PREVIOUS INFORMATION)

METRO ENERGY LTD. (MEJ-V)

KANSAS PETROLEUM PURCHASE - William R. McRae, director, reports Metro Energy Ltd. has received regulatory approval to buy a 40% interest from M & M Holdings Ltd. in the McCune oil and gas field located in Crawford county, Kansas, comprised of 920-acres in six separate leases, and 117 wells. Purchase price was not disclosed. Production is from the blanket Bartlesville oil and gas formation. Thickness of pay zone varies from 32 to 40 feet. Oil reserves are calculated at about 4,000,000 barrels. Gravity of crude oil is 32°. About 50,000 barrels of water (700 bbls/day) have been injected into the Bartlesville formation and as of 18Sep91, formation pressures exceed 135 psi. Oilfield Research has advised the major breakthrough will occur at about 250 psi. An additional 100 wells are to be drilled with 50% being converted to injection wells. (SEE GCNL No.63, 2Apr91, P.3 FOR PREVIOUS INFORMATION)

LA ROCK MINING INC. (LAR-V)

ENCOURAGING ASSAYS - Martial Levasseur, president, reports La Rock Mining Inc. has received encouraging assays from the Tedi Pit volcanogenic polymetallic zone on a property located about 10 miles southwest of Whistler, B.C. and two miles west of Northair mine former producer. Fox Geological Consultants has recommended 6,000 feet of diamond drilling to define the zone. *5.0 meters*

GOLD	SILVER	LEAD	ZINC	COPPER	
OZ/T	OZ/TON	%	%	%	'
0.047	4.38	10.95	14.98	1.71	'

Listed at left are assays taken across 16 feet.

----- Diamond drilling is planned to start in mid-October. (SEE GCNL No.186, 26Sep91, P.1 FOR OTHER INFORMATION)

FANCAMP RESOURCES LTD. (FNM-V)

PLACER DOME EARN-IN - Debra Chapman, director, reports Fancamp Resources Ltd. has signed a letter of intent for PLACER DOME INC. to earn a 60% interest in the 2,160-acre Poularies property, located about 25 miles north of Noranda, Quebec, by paying \$12,000 and spending \$150,000 on exploration over two years. The property covers a series of felsic volcanics similar to those in the Noranda area, and is the site of a number of base metal showings. An exploration program will begin shortly. (SEE GCNL No.149, 2Aug91, P.2 FOR OTHER PROJECT INFORMATION)