

GEDDES RESOURCES LIMITED

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For Immediate Release
June 8, 1989

PRESS RELEASE**WINDY CRAGGY RESERVES INCREASED**

The continued underground drilling by Geddes Resources Limited (TSE: Symbol GDD) at the Windy Craggy deposit in northwestern British Columbia has substantially increased reserves with the deposit still open at both ends and at depth. An independent geostatistical study with information up to drill hole 86 over 1,250 metres of strike length shows diluted reserves of 111.5 million metric tonnes grading 1.7% copper, 0.2 grams/tonne gold, 3.6 grams/tonne silver and 0.08% cobalt, using a 1% copper cut-off grade. Approximately 33% of this reserve is classed as probable and the balance as possible. At a 0.5% copper cut-off the reserves rise to 139 million metric tonnes at 1.5% copper and at a 1.5% copper cut-off, reserves are estimated to be 66 million metric tonnes at 2.0% copper.

Preliminary engineering and economic studies demonstrate that open pit mining at a Waste to Ore ratio of less than 2:1 is preferable to underground mining for the start of mining operations. Initial financial studies indicate the reserves would support up to a 30,000 metric tonnes per day mining and milling operation with average annual production of 300 million pounds of copper, 40,000 ounces of gold and 600,000 ounces of silver in concentrate. At this rate direct operating costs would be Cdn. \$0.30 - \$0.35 per pound of copper. Capital costs are estimated to be \$430 million.

Geddes Resources Board of Directors has determined to expand the 1989 exploration program with the primary objectives of increasing the proportion of probable reserves to at least 50% of the total, and investigating the extent of a near surface zone of secondary enrichment of copper which would allow above average grade mining for the early years. Total reserves will also be expanded with the objective of ensuring a minimum 20 year mine life.

Preliminary reports on the environmental impact and road access corridors have been submitted to the British Columbia government and more detailed studies are underway.

The program of metallurgical testwork will be expanded after additional bulk samples have been mined. These will allow comparison of recovery from the various types of mineralization encountered across the extent of the deposit. Testwork on the character of the tailings has started. As they will have a high sulphide content special precautions may be required in their storage.

The company has held preliminary discussions with engineering companies prior to selecting one to prepare a full feasibility study. That study will be undertaken as soon as the additional exploration work has confirmed the increased confidence level required for the reserves.

Geddes Resources President, Dr. Gerald Harper, stated that the additional drilling is proceeding at the rate of 3,000 metres per month and 15 additional holes have already been completed since the reserve calculation. Several of those holes at the east side of the north end of the deposit have discovered zinc with associated higher gold and silver values as shown.

Zinc Intersections

<u>Section/Hole</u>	<u>Angle</u>	<u>Core Length</u>	<u>% Cu</u>	<u>% Zn</u>	<u>Au g/t</u>	<u>Ag g/t</u>	
10390N	75	0°	406-420 14m	1.17	1.27	0.45	6.5
	78	+59°	470-476 6m	1.88	1.79	0.98	14.5
10450N	85	0°	342-350 8m	0.76	2.08	0.81	6.75
	88	+30	392-400 8m	0.56	1.41	0.27	4.50
	90	+45	370-378 8m	0.34	1.51	0.40	14.75
	92	+60	302-322 20m	1.67	1.73	0.56	10.95
10510N	95	0°	360-362 2m	1.32	1.52	0.46	4.0
	97	+30	280-296 16m	0.02	1.49	0.05	18.6
			298-300.5 2.5m	0.28	0.38	2.43	35.3
			332-342 10m	0.81	1.20	1.00	11.1

This zinc zone within the massive sulphide body is flanked by copper zones more typical of the major portion of the deposit. See table of copper intersections.

Copper Intersections

<u>Section</u>	<u>Hole</u>	<u>Interval</u>	<u>% Cu</u>	
10390N	75	224-242 = 18m	3.24	
		282-318 = 36m	2.63	
		333-406 = 73m	2.12	
		420-430 = 10m	2.01	
		318-470 = 152m	2.07	
10450N	85	476-479.2 = 3.2m	2.79	
		290-342 = 52m	2.28	
		350-393 = 43m	1.31	
		356-392 = 36m	2.61	
		314-342 = 28m	1.43	
10510N	92	378-382 = 4m	1.77	
		292-302 = 10m	1.73	
		95	338-360 = 22m	2.11
		97	362-399.9 = 37.9m	1.87
			316-332 = 16m	2.29
		342-360 = 18m	1.13	

Hole 75 was drilled on a bearing of 005 degrees while all others are at 050 degrees.

For further information please contact:

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WINDY CRAGGY DEPOSIT

RESERVES AND PROJECTIONS

PRESENT RESERVES

111.5 million tonnes @ 1.7% Copper
0.19 g/t Gold
3.6 g/t Silver
0.08 % Cobalt

Contained Metals:	Copper	=	4.179 billion pounds
	Gold	=	681,000 ounces
	Silver	=	12,905,000 ounces
	Cobalt	=	196.7 million pounds

CONCEPTUAL ANNUAL PRODUCTION

10.5 million tonnes per year (30,000 tonnes per day)

Annual Output at Recovery Rate

Copper	90%	142,000 tonnes
Gold	75%	43,300 ounces
Silver	60%	640,000 ounces

Concentrate at 25% Cu grade 570,000 tonnes

COPPER PRODUCTION

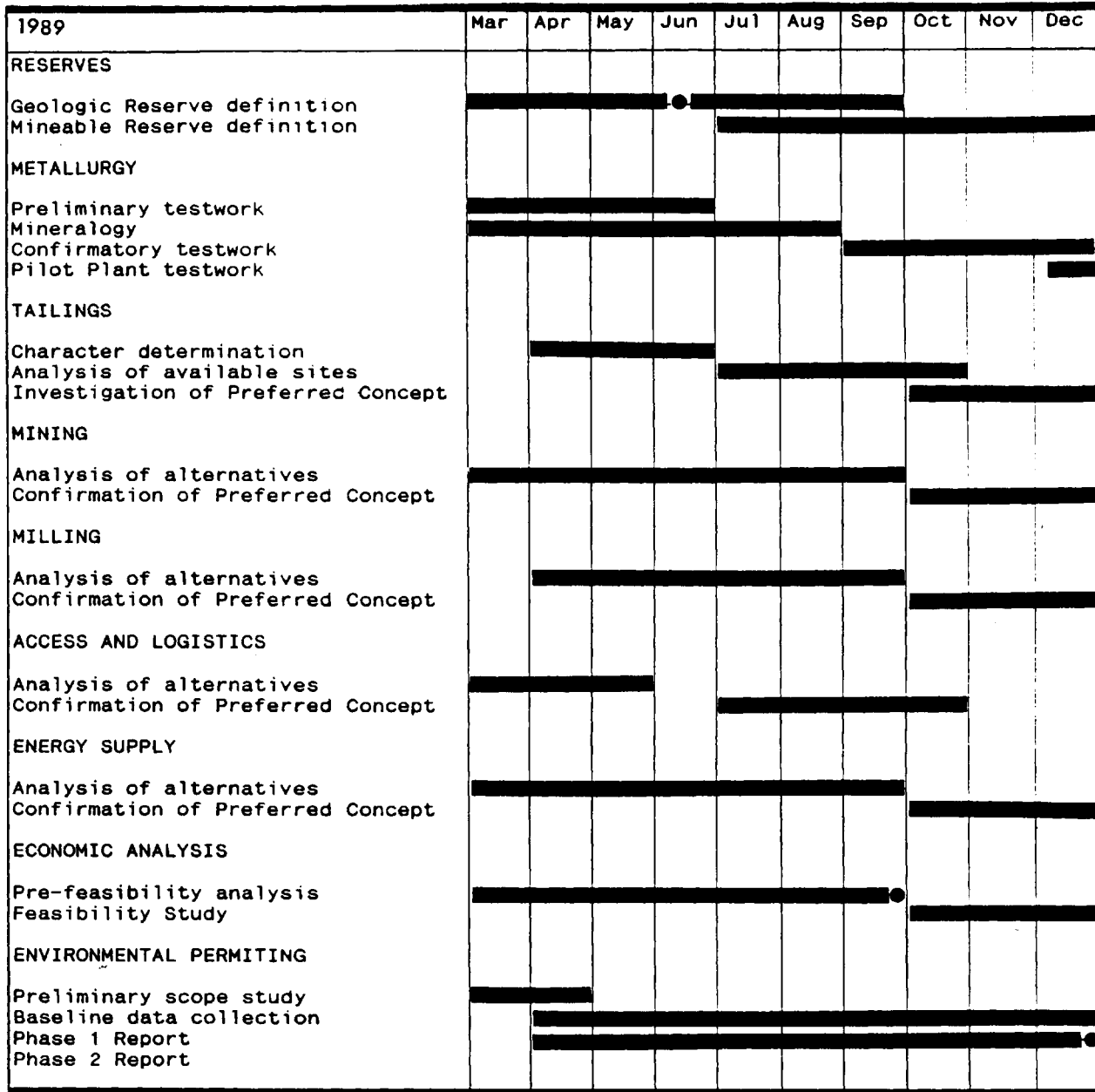
WINDY CRAGGY vs LEADING CANADIAN MINES

(000's of tonnes of copper)

PRODUCER	Actual		Forecast
	1987	1988	1990's
INCO Total primary output	124.7	116.2	
FALCONBRIDGE Integrated Nickel operations Kidd Creek	46.3 130.2 <u>176.5</u>	49.4 122.3 <u>171.7</u>	
COMINCO-RIO ALGOM-HIGHMONT Highland Valley Cu (est. annual av., 1990-1995)			176.9
BRITISH COLUMBIA (1988 = prelim)	355.9	353.7	
CANADA (1988 = prelim)	821.0	756.5	
GEDDES Windy Craggy (est. annual av. from 1993)			142.0

WINDY CRAGGY PROJECT

CRITICAL PATH SCHEDULE



● Major Decision Points

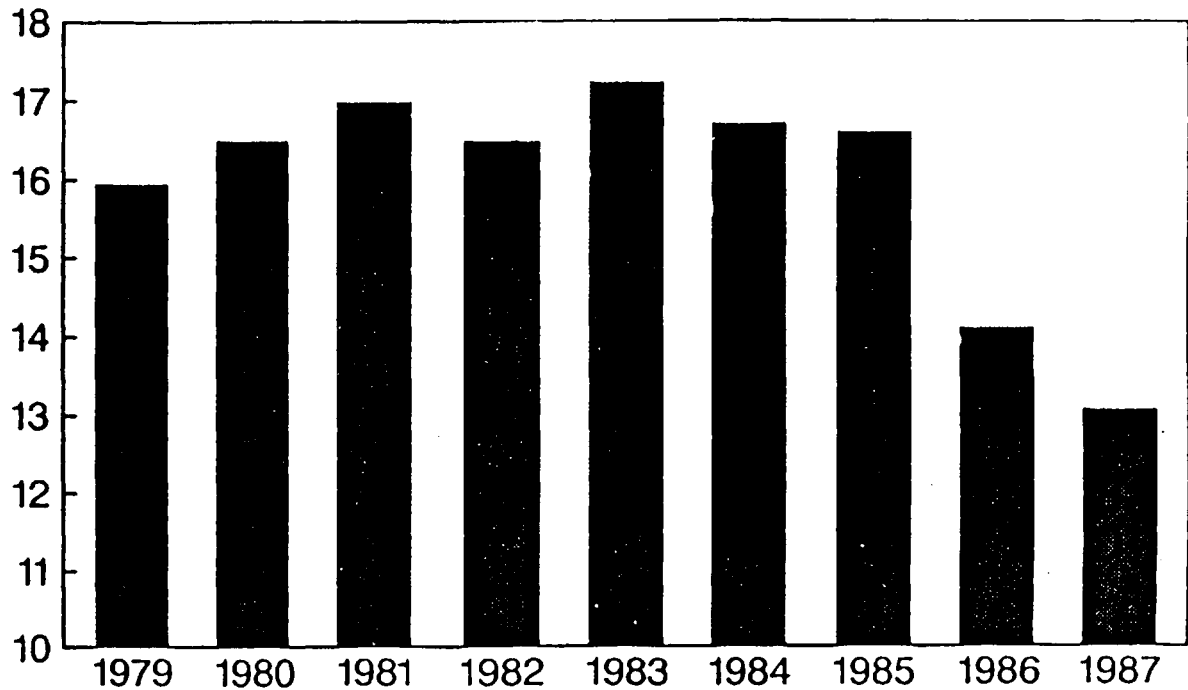
GEDDES RESOURCES

2 YEAR CRITICAL PATH SCHEDULE

	1989				1990		
	Q1	Q2	Q3	Q4	H1	H2	
PROJECT							
Exploration and testwork	████████████████████				████████████████████		
Pre-feasibility analysis	████████████████████						
Feasibility Study				████████████████████			
Environmental Phase 1	████████████████████						
Project Engineering					████████████████████		
Environmental Phase 2					████████████████████		
Access Road, Eng & Surv			████████		████████		
Access Road, Contract Bids					████████████████████		
Access Road, Construction Start					████████		
FINANCE							
Expenditures							
CEE/CEIP (millions)	2.3	2.4	3.2	2.3	3.0	3.0	
Non CEE/CEIP		1.3	1.0	0.7	4.0	10.0	
Equity Raised/required							
CEE/CEIP	1.275	2.5	4.7		2.5	2.5	
Non CEE/CEIP			6.0			15.0	
Capital Finance Negotiations							
Bank Debt					████████████████████		
Consumer prepayment					████████████████████		
Government support					████████████████████		
Markets analysis				████████		████████████████████	
Project cost control system set-up					████████		
HUMAN RESOURCES							
Hiring Dept. heads							
Hiring key operating staff					████████		
					████████		

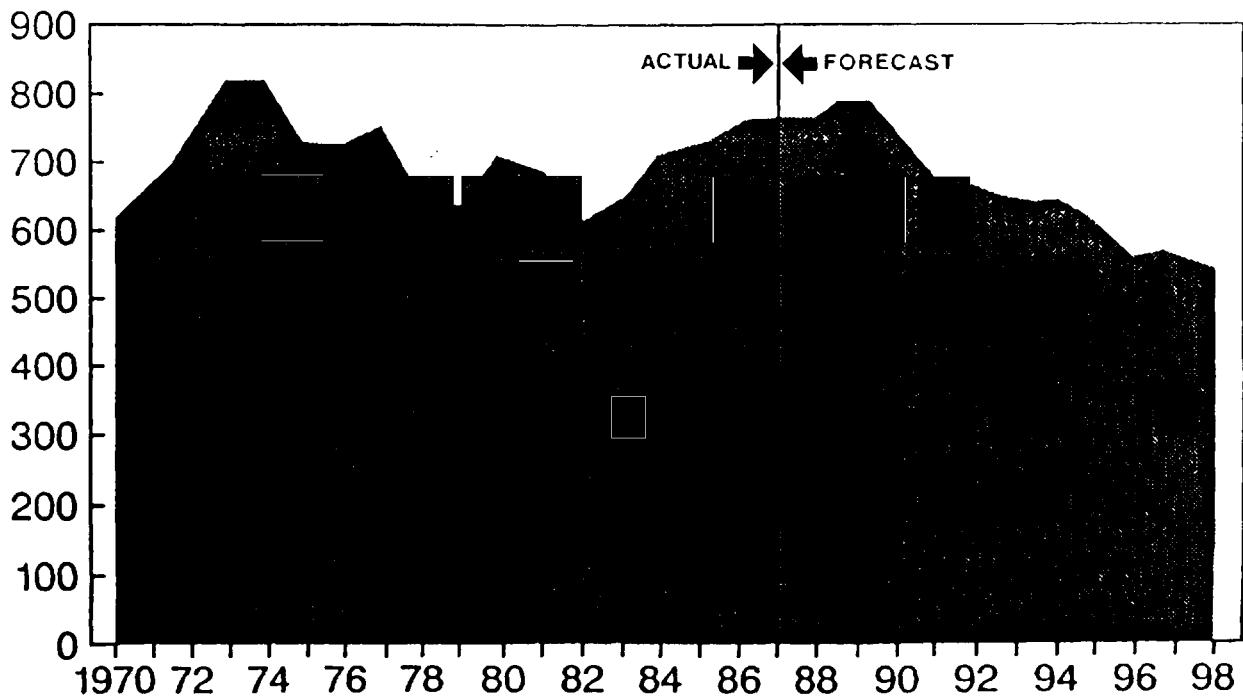
CANADIAN COPPER RESERVES

Million Tonnes



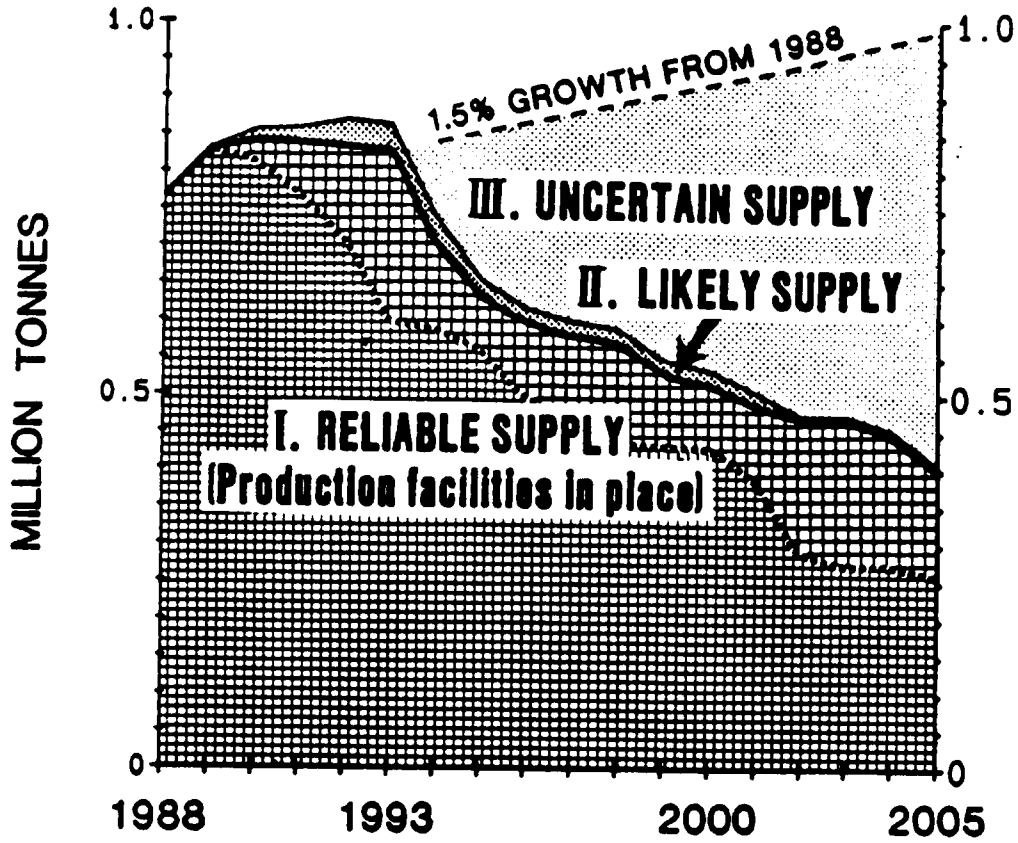
CANADA - ANNUAL COPPER MINE PRODUCTION

Metal Content - Thousand Tonnes



CANADIAN COPPER PRODUCTION TO THE YEAR 2005

REFINED METAL RECOVERABLE FROM ORE MINED



UNCERTAIN SUPPLY



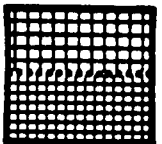
Supply from sources still undiscovered

LIKELY SUPPLY



Supply from known undeveloped deposits

RELIABLE SUPPLY



Supply from inferred extensions

Supply from today's reserves

COPPER DISCOVERED IN CANADA BY 10-YEAR PERIOD

