

that if the current rate of production can be maintained until the Christmas show... the 300,000 oz. objective will be close. It is intended to continue the high grade ore shipment cash flow program while the property exploration and feasibility study continue.

The company has driven about 100 feet along an adit level with the aim of opening one of the **820739** a point some 325 feet below where the vein has been mined on surface. The vein intersection is p... 85 feet from the portal. (See GCNL 193, Oct.5, and 157, page 2, 15Aug84, for much property background)

The first stage of the agreement calls for Primary to provide \$500,000 and Royal Bank Venture Capital \$150,000 to earn 15% and 4.5% property interests. Primary has the option to convert its funds to shares of Dawson Eldorado at \$1.75 per share. These funds are to be used to complete the adit level to and along the vein. It is hoped the vein will be intersected by 31Dec84 or at the latest 28Feb85.

In the second phase of the agreement, Primary Exploration has the option to provide \$1,000,000 and Royal Bank Venture \$300,000 to earn 14.9% and 4.5% property interests. These funds are to be used for underground mine development, ore transport, pilot mill testing on site and feasibility study. At the end of phase two, Primary and Royal Bank Venture have the option to either proceed to phase three or convert their earned property interests of Primary 30% and Royal Bank 9% to shares of Dawson Eldorado at \$2.00 per share.

In the third phase of the agreement, Primary has the option to provide a further \$3,500,000 and Royal Bank Venture \$1,050,000 to earn 20.1% and 5.9% property interests. If Primary earns a 50.1% interest in the property, then this interest will not be convertible to shares. If Royal Bank Venture earns a 14.9% property interest then 9% of the property interest will be convertible into shares of Dawson Eldorado at \$2.00 per share. Depending upon contributions and share conversion options, Dawson Eldorado will hold a minimum of 35% and a maximum 40.9% working property interest.

Dawson Eldorado will continue to operate the property with a management committee. Dawson Eldorado will be free to continue exploration of the Lone Star gold and KIWI base metal properties.

EQUITY SILVER MINES LIMITED (EST-V,T)

CONVERTIBLE PREFERRED SHARE - Equity Silver Mines Limited propose to sell an issue of preferred shares that will be convertible into common shares and it is necessary to increase the authorized number of common shares so that sufficient are available for such conversion. Proceeds from this sale will be used to repay bank loans and any balance will be used for general purposes. At an extraordinary meeting called for 7Dec84 at 10 a.m. in Hyatt Regency hotel, Vancouver, shareholders will be asked to vote for an increase of authorized common shares from the current 24,798,000 to 28,600,000. Major shareholders are Placer Development Limited with 17,358,600 common shares and CoCa Mines Inc. with 3,003,435, being 70% and 12.11% of those now issued.

As at Oct31/84, Equity owed Placer \$68,276,207 in respect of two loans. The companies plan an agreement whereby Equity will sell Placer silver for future delivery in an amount and at a price that will be determined using the market price on the day the preferred share issue noted above is priced. Delivery will be subject to minimum annual requirements of 750,000 ounces, or the greater of 750,000 ounces and 20% of production for a given year if the price of silver averages more than a specified amount for that year. Proceeds of this sale will be used to retire Equity's debt to Placer.

BLACKDOME EXPLORATION LTD. (BEE-V)

CURRENT RESERVES ESTIMATE IS 195,000 TONS - Underground exploration and development continues at the gold-silver mine GRADING 0.78 OZ. GOLD, 3.2 OZ. SILVER/TON of Blackdome Exploration Ltd. 40 miles WNW of Clinton, B.C. Some 2300 feet of drifting and 530 feet of raising have been completed, in the south mine area since June. President A.F. Reeve reports that a raise driven to surface from the 1960 m level at Section 12080 m in No.2 Vein averaged 0.31 oz.gold and 8.6 oz/silver per ton over its full 165 foot length and the average raise width of 5.2 feet. Also, surface sampling of No.2 vein from section 12083 m to 12114 m for a length of 102 ft. averaged 0.31 oz.gold and 4.11 oz/silver per ton over an average true width of 7.1 feet. See GCNL 183(84) p.1 for previous report.

A new 900 foot crosscut to intersect No.1 and No.2 veins 130 feet below existing workings on the 1920 m level is completed and drifting is now in progress on No.1 vein on that level.

A preliminary estimate by Blackdome of reserves currently indicated by drifting, raising and diamond drilling is 195,000 tons averaging 0.78 oz. gold and 3.2 oz. silver/ton. The feasibility study, delayed to include new four reserves, is now expected by mid-December. Underground work on the 1920 m level will continue until late November when all work planned for 1984 will have been completed. Operations on the property will resume in early 1985 after the feasibility study has been reviewed and plans for financing completed. Blackdome has received \$643,644 by exercise of 225,840 warrants.

+ NO.221(NOVEMBER 16, 1984) + OWNED, PUBLISHED AND COPYRIGHTED BY GEORGE CROSS NEWS LETTER LTD. +

0925/16

BLACKDOME EXPLORATION LTD.

UNDERGROUND PROGRAM FUNDED - Heath Steele Mines Ltd. has advised Blackdome Exploration that FOR FEASIBILITY IN 1983 it intends to finance a \$2,000,000 underground exploration and development program at the Blackdome mine, which could result in a production decision by late 1983 or early 1984. Heath has the option to purchase and earn 3,250,000 shares of Blackdome for \$11,250,000 to place the Clinton, B.C. gold mine into production. On completion, Heath will own 55% of the shares of Blackdome. In 1982, approximately \$1,250,000 of the financing schedule was completed.

In the past year 15,000 feet of diamond drilling was completed on the property, increasing the overall drill-indicated reserves to 455,000 tons averaging 0.32 oz. gold and 2.7 oz. silver per ton at a cutoff of 0.1 oz. per ton gold equivalent with a minimum width of 5 feet.

It is anticipated that underground work at the mine will commence in early April.

SUTHERLAND RESOURCES LTD.

CONTROL SHIFT AND PROPERTY - Sutherland Resources Ltd. has announced that negotiations for ACQUISITION REPORTED the acquisition of property in the Breakwater-Asamera Wenatchee gold area are in the final stages.

The following transfers within escrow have been proposed: 154,063 shares from Cantex Enterprises Ltd. to Macrim Investment Corp. (owned by Douglas E. McRae); 154,063 shares from Anker Projects Ltd. to Robert G. Hunter, president, Breakwater Resources Ltd.; 154,063 shares from Murray Pezim to Jerry Bradley.

Cornwall Petroleums Ltd. has agreed to sell 390,263 shares to the following people: 75,000 shares to Robert G. Hunter, 80,000 shares to Douglas E. McRae, 80,000 shares to Jerry Bradley, 75,000 shares to John A. MacPherson, 40,263 shares to Carlo G. Civelli, 40,000 shares to Gordon Smith.

The above transactions are all subject to regulatory approval. Share trading in Sutherland was halted by the Vancouver Stock Exchange on March 18, 1983 pending the announcements.

ARCTIC RED RESOURCES CORP.

HEMLO DEEP DRILL HOLE UNDERWAY - Arctic Red Resources has received additional funds of \$719,980 from the exercise of warrants. Working capital now stands at close to \$1,000,000. The issued capital is presently 4,726,500 shares. There are 589,750 non-transferable "B" warrants outstanding for the purchase of one share per warrant at a price of 99¢, exercisable on or before August 23, 1983.

At Arctic Red's Hemlo area property, Pine Bell Mines reports that drilling has started on a 6,000 ft. hole to test the down-dip projection of the horizon in which the International Corona East Zone occurs. The hole will investigate the great thickness of sediments for possible gold mineralization. Considerable interest has been shown in this hole, which will be the deepest drilled in the Hemlo camp to date.

On Arctic Red's LaForma property in Yukon, plans are being made for a resumption of work in the spring. Drifting and drilling will be continued from the No. 4 adit level to expand ore reserves. Ore reserves were increased last year from 68,546 tons of 0.44 oz. gold per ton to an estimated 87,426 tons of the same grade, plus additional inferred reserves of 60,000 tons. Murray Pezim and William Meyer have become company directors.

ICAN RESOURCES LTD.

CONTROL SHIFT AND PROPERTY ACQUISITION - Joseph Iwasenko, former president of Ican Resources Ltd. has reported he has agreed to sell 116,000 free and 750,000 escrow shares for \$65,000 to a group represented by the recently appointed new directors who are: Olaf Tolpinrud, president, Terry Sklavenitis and David Stewart. As part of the agreement Ican has agreed to acquire a 50% interest in 25 claims and a mining lease in McCaul township, Thunder Bay mining, Ontario from MerFin Management Limited, Dieter Peter for \$157,500 and 1,500,000 treasury shares. The 50% participation is subject to a 2% net smelter royalty. Ican has secured a private placement of 1,000,000 shares at 20¢ each. All subject to regulatory approvals.

FOR THE RECORD

Northern Energy Corporation has acquired a 50% interest in ground of Trojan Energy Corporation 6,000 feet southwest of the major Asamera Inc./Breakwater Resources Ltd. gold discovery property near Wenatchee, Wash. (See location map overleaf page one GCNL No. 49, March 11, 1983).

Sunmask Petroleum Corporation president F.J. Anderson has reported negotiations are underway to acquire an interest in gold property in the Wenatchee area. The company has interests in 44 producing oil and gas properties mainly in Oklahoma.

Warstar Resources Inc. have acquired a mining lease covering approximately 320 acres located in Chelan county, Washington, approximately 2 1/4 miles from the boundary of the Asamera-Breakwater gold find.

The property was acquired from Sporan Enterprises Inc., for U.S. \$25,000 and 200,000 shares subject to regulatory bodies approval.

An agreement has been reached with a Calgary based company to operate the newly acquired property on a joint-venture basis.

Ltd. to provide up to \$6,500,000 by 31Dec87 to explore, develop and produce from the Plata silver-lead-zinc mine 110 miles NW of Ross River, Yukon. Primary Exploration Ltd. is associated with AVF Investments Ltd., a well funded private Alberta company.

Since July 1983, Dawson Eldorado has been producing high grade silver ore from a series of surface cuts on the property. Production to date in 1984 has been about 250,000 oz. silver. The objective is to produce between 250,000 and 300,000 ounces in 1984. Current production is three to four tons per day grading in the plus 200 oz. silver/t ton range. The present objective is to produce 1,000 oz. silver per day. Paul S. White, president of Dawson Eldorado, stated that if the current rate of production can be maintained until the Christmas shut down and, if the weather holds, then the 300,000 oz. objective will be close. It is intended to continue the high grade ore shipment cash flow program while the property exploration and feasibility study continue.

The company has driven about 100 feet along an adit level with the aim of opening one of the high grade veins at a point some 325 feet below where the vein has been mined on surface. The vein intersection is projected at about 785 feet from the portal. (See GCNL 193, Oct. 5, and 157, page 2, 15Aug84, for much property background)

The first stage of the agreement calls for Primary to provide \$500,000 and Royal Bank Venture Capital \$150,000 to earn 15% and 4.5% property interests. Primary has the option to convert its funds to shares of Dawson Eldorado at \$1.75 per share. These funds are to be used to complete the adit level to and along the vein. It is hoped the vein will be intersected by 31Dec84 or at the latest 28Feb85.

In the second phase of the agreement, Primary Exploration has the option to provide \$1,000,000 and Royal Bank Venture \$300,000 to earn 14.9% and 4.5% property interests. These funds are to be used for underground mine development, ore transport, pilot mill testing on site and feasibility study. At the end of phase two, Primary and Royal Bank Venture have the option to either proceed to phase three or convert their earned property interests of Primary 30% and Royal Bank 9% to shares of Dawson Eldorado at \$2.00 per share.

In the third phase of the agreement, Primary has the option to provide a further \$3,500,000 and Royal Bank Venture \$1,050,000 to earn 20.1% and 5.9% property interests. If Primary earns a 50.1% interest in the property, then this interest will not be convertible to shares. If Royal Bank Venture earns a 14.9% property interest then 9% of the property interest will be convertible into shares of Dawson Eldorado at \$2.00 per share. Depending upon contributions and share conversion options, Dawson Eldorado will hold a minimum of 35% and a maximum 40.9% working property interest.

Dawson Eldorado will continue to operate the property with a management committee. Dawson Eldorado will be free to continue exploration of the Lone Star gold and KIWI base metal properties.

EQUITY SILVER MINES LIMITED (EST-V,T)

CONVERTIBLE PREFERRED SHARE - Equity Silver Mines Limited propose to sell an issue of preferred shares that will be convertible into common shares and it is necessary to increase the authorized number of common shares so that sufficient are available for such conversion. Proceeds from this sale will be used to repay bank loans and any balance will be used for general purposes. At an extraordinary meeting called for 7Dec84 at 10 a.m. in Hyatt Regency hotel, Vancouver, shareholders will be asked to vote for an increase of authorized common shares from the current 24,798,000 to 28,600,000. Major shareholders are Placer Development Limited with 17,358,600 common shares and CoCa Mines Inc. with 3,003,435, being 70% and 12.11% of those now issued.

As at Oct31/84, Equity owed Placer \$68,276,207 in respect of two loans. The companies plan an agreement whereby Equity will sell Placer silver for future delivery in an amount and at a price that will be determined using the market price on the day the preferred share issue noted above is priced. Delivery will be subject to minimum annual requirements of 750,000 ounces, or the greater of 750,000 ounces and 20% of production for a given year if the price of silver averages more than a specified amount for that year. Proceeds of this sale will be used to retire Equity's debt to Placer.

BLACKDOME EXPLORATION LTD. (BEE-V)

CURRENT RESERVES ESTIMATE IS 195,000 TONS - Underground exploration and development continues at the gold-silver mine GRADING 0.78 OZ. GOLD, 3.2 OZ. SILVER/TON of Blackdome Exploration Ltd. 40 miles WNW of Clinton, B.C. Some 2300 feet of drifting and 530 feet of raising have been completed, in the south mine area since June. President A.F. Reeve reports that a raise driven to surface from the 1960 m level at Section 12080 m in No.2 Vein averaged 0.31 oz. gold and 8.6 oz/silver per ton over its full 165 foot length and the average raise width of 5.2 feet. Also, surface sampling of No.2 vein from section 12083 m to 12114 m for a length of 102 ft. averaged 0.38 oz. gold and 4.11 oz/silver per ton over an average true width of 7.1 feet. See GCNL 183(84) p.1 for previous report.

A new 900 foot crosscut to intersect No.1 and No.2 veins 130 feet below existing workings on the 1920 m level is completed and drifting is now in progress on No.1 vein on that level.

A preliminary estimate by Blackdome of reserves currently indicated by drifting, raising and diamond drilling is 195,000 tons averaging 0.78 oz. gold and 3.2 oz. silver/ton. The feasibility study, delayed to include new found reserves, is now expected by mid-December. Underground work on the 1920 m level will continue until late November when all work planned for 1984 will have been completed. Operations on the property will resume in early 1985 after the feasibility study has been reviewed and plans for financing completed. Blackdome has received \$643,644 by exercise of 225,840 warrants.

November 19, 1984

WADY LAKE RESOURCES INC. has reported that testing by the subsidiary in mineral leaching
 BIO LEACH TEST WORK Technologies Inc. shows improvements in precious metals extraction when concentrates are
 pretreated with the Bioleach process as compared to recoveries obtained with conventional cyanide
 treatment.

The Bioleach process is intended for use in treating refractory gold and silver ores and concentrates by employing specially grown strains of bacteria to break down sulphide minerals. The procedure is ordinarily accomplished by roasting or smelting, but these two methods are subject to high environmental control costs, particularly when arsenic or antimony is present in the ore. The bacterial leaching process is carried out without the need for high temperature or high pressure and has the added advantage of converting any arsenic or antimony present into harmless compounds.

Ab Bruynesteyn, president of PM Mineral Leaching, reported that each of the concentrates tested from seven different mines responded favourably to the biological treatment process. The improvements in extraction were highly significant. The tests were not designed to produce maximum extractions. He says that since standard cyanide treatment cannot extract precious metals tied up in sulphide minerals, any improvement in extraction is attributable to the Bioleach pretreatment. (See overleaf for a summary of results from the tests on the seven concentrates and also GCNL 180(84), page ene 18Sep84.)

CARINA MINERAL RESOURCES CORP.

NEW SASKATCHEWAN GOLD - Eric F. Partridge, president, reports that a new gold bearing area in Saskatchewan is to
 AREA WILL BE EXPLORED undergo extensive exploration by Carina Mineral Resources Corp. Recently incorporated,
 Saskatoon-based Carina has acquired 100% interest in a 189,560 acre mineral permit about midway
 between La Ronge and Flin Flon. The area is referred to as the Brownell Lake volcanic belt.

Preliminary work to a follow-up core drilling program has been concentrated in the central sector of the mineral permit. Within this sector, 7 surface zones and 11 anomalous zones have been identified. This work, at a cost exceeding \$200,000, has been privately funded. It included detailed prospecting, line grids, surface sampling, geophysical surveys and extensive bedrock level soil sampling. Sampling as large grabs and 5 meter chip samples have returned encouraging values ranging up to 1.05 oz.gold per ton with 271 samples averaging 0.075 oz/ton or 184 samples averaging 0.117 oz.gold/t. The zones of mineralization are of the non-vein type with gold occurring as micron size disseminations in fractures over appreciable widths in a complex of meta volcanics and meta sedimentary units between two large igneous plutons. Contact type gold mineralization rimming one pluton is also being investigated by the firm's field crew.

Carina's aim is to core drill the various gold bearing zones in expectation that one or more will warrant development. Recommended to meet this objective is a 2-phase program which is currently underway. Incomplete assays to date returned 20 feet of 0.52 oz.gold per ton (apparent true width) or 0.107 oz.gold/t across 6.3 feet. Mr. Partridge expects at least 5,000 feet of core drilling will be completed before freeze up.

A public offering of Carina's units comprising 1 share and 1 share purchase warrant has been marketed by Canarim Investment Corp. Carina shares are expected to be listed soon on Vancouver Stock Exchange. Carina has common management with Waddy Lake Resources Inc. which is a major shareholder of Carina.

BLACKDOME EXPLORATION LTD. (BEE-V,T)

<u>No. 1 Vein</u>				
<u>Location</u>	<u>Width</u>	<u>Length</u>	<u>Oz.Gold/t</u>	<u>Oz.Silver/t</u>
12,115 Raise	5.8 Ft.	197 Ft.	1.08	3.86
12,062 Raise	5.4	165	0.16	0.76
Surface	6.4	345	0.38	1.59
1,980 Subdrift	5.0	30	0.50	5.57
<u>No. 2 Vein</u>				
1,960 Drift	6.4	90	2.75	6.53
<u>Stockpiled Development Rock</u>				
Low grade	2,208 Tons		0.17	0.71
High grade	6,460 Tons		1.09	4.52

VERY HIGH GRADE GOLD VALUE REPORTED
 FROM UNDERGROUND DEVELOPMENT WORK

Albert F. Reeve president of Blackdome Exploration Ltd. has reported underground exploration and development is continuing at the silver-gold mine 40 miles west of Clinton B.C. Since beginning the current program in June a total of 1,200 ft. of drifting and 360 ft. of raising has been completed in the south mine area on and above the 1,960 m level. This includes a cross cut 90 ft. west from the No.1 Vein drift to the sub-parallel No.2 Vein and 270 ft. of drifting on the structure.

 are shown in the table.

Recent assay results received in the south mine area

COMINCO LTD. (CLT-V,T,M) PINE POINT MINES LIMITED

COMINCO WILL REDUCE - As part of a continuing review of assets, Cominco Ltd. is offering for sale 800,000 shares from
 PINE POINT HOLDING its existing holding in Pine Point Mines Limited of 3,121,570 shares, being about 69% of those
 issued. Upon completion of the sale, Cominco expects to realize about \$21,000,000 and that its
 interest in Pine Point will be reduced to about 51%.

Cominco will continue to manage the business and operations of Pine Point and, with an associated Japanese company, buy all of Pine Point's production of zinc and lead concentrates. The shares will be sold on Toronto Stock Exchange through Alfred Bunting & Co. and Loewen Ondaatje McCutcheon & Co., mainly to institutional customers of those dealers following required filings with regulatory authorities and after a 7-day waiting period.

Pine Point's 4,516,363 common shares are listed on Toronto and Vancouver Stock Exchanges and are held by about 4,500 shareholders.

AUG 10 1984

1710-608 GRANVILLE ST.
P.O. Box 10383 STOCK EXCHANGE TOWER
VANCOUVER, B.C.
V7Y 1G5
683-7265
(AREA CODE 604)

COPYRIGHT
ALL REPRODUCTION
RIGHT RESERVED
PUBLISHED DAILY
SUBSCRIPTION RATE
\$300.00 PER YEAR

NO.153(1984)
AUGUST 9, 1984

George Cross News Letter

Reliable Reporting

NO.153(1984)
AUGUST 9, 1984

WESTERN CANADIAN INVESTMENTS

BLACKDOME EXPLORATION LTD. (BEE-V)

Hole No.	Width, Ft.	Oz. Gold/T	Oz. Silver/T
146	14.2	1.2	1.2
	4.9	1.8	2.7
149	7.2	1.3	4.9

NEW FINANCING SOUGHT TO CONTINUE

EXPLORATION AND DEVELOPMENT OF GOLD MINE

A.F. Reeve, president of Blackdome Exploration Ltd., is contemplating immediate financing to enable continuance of exploration and development work until November. If the funds are

received, work will include cross cutting to No.2 vein in the vicinity of DDH 149, establishing a new level (1,930 m) below recently discovered high grade in the 1,960 m drift and upgrading the access road in anticipation of a substantial program next Spring. Underground exploration is continuing at the gold-silver mine 40 miles west of Clinton, B.C. Since early June, 780 feet of drifting, 180 feet of raising, 2,300 feet of diamond drilling and 350 feet of surface stripping have been completed, all on the south extension of the south mine workings on No.1 vein, shown on maps overleaf pages 1 and 2.

No.1 vein is exposed continuously for more than 600 feet in the new drift on the 1960 metre level. Included in this are 3 ore shoots with a total length of 366 feet and average grade of 1.6 oz.gold and 3.6 oz.silver/ton with an average true thickness of 5.8 feet. A raise has been advanced up dip from the 1,960 metre level on section 12,115 metre. Fifteen muck samples from the first 105 feet of this raise average 2.6 oz.gold and 5.8 oz.silver/ton.

On surface, new ore in No.1 vein has been exposed by trenching for a strike length of 350 feet about 180 feet up dip at 55 degrees from the zone recently indicated by drifting on the 1960 metre level. Mapping, sampling and further trenching are in progress there.

Six surface diamond drill holes have been completed and four returned ore grade intersections in the south mine area. Two of these indicate possibilities for developing ore in the immediate vicinity of the present workings as follows: Hole 146 intersected 2 zones on section 11,880 metres about 165 feet below the 1960 metre level. Hole 149 intersected No.2 vein on section 12,100 metre. The intersection is 90 feet west of No.1 vein at the 1960 metre level.

Some 1,500 tons of development muck has been added to the high grade stockpile which now stands at 5,500 tons averaging 1.2 oz.gold/ton equivalent.

Reserves of high grade ore confirmed by drifting and raising in the south mine are expanding rapidly and new targets for underground work are now available. It appears the south mine can be developed on at least three levels and that both No.1 and No.2 Veins will make ore in this area. The work program planned for 1984 will be completed by the end of August within the budget of \$1,000,000.

MELCOR DEVELOPMENTS LTD. (MRD-T)

<u>6 MONTHS ENDED 30 JUNE</u>	<u>1984</u>	<u>1983</u>
Gross Revenue	\$15,172,000	\$20,626,000
Cash Flow per Share	43¢	28¢
Net Income (Loss)	302,000	(1,227,000)
Per Share	10¢	(41¢)

SILVER STRIKE RESOURCES LTD. (SSY-V)

LOCATION MAPS - Silver Strike Resources Ltd. has provided 2 maps showing property locations at Wenatchee, Washington, see GCNL 117, 18Jun84, overleaf page 3 and a drill hole location map overleaf page 3 this newsletter. The locations of holes drilled to date are accurate but locations of the planned holes are subject to change depending on results. It is intended to deepen some of the previously drilled holes. The ones now designated for deepening are holes no.2-1,4-1 and 4-2. (See assay results in GCNL 145 & 149 page 1). Tenneco Minerals Inc. is operator on this property and it has advised that results will be released as completed results for each hole are received.

The amalgamation of Silver Strike Resources Ltd. and United Mining Corporation is now in its final stages with all approvals in Canada received and SEC approval in the U.S. underway.

ECHO BAY MINES LTD. (ECO-Alberta,T,M)

6 MONTHS ENDED 30 JUNE 1984

1983

PROFIT MORE THAN TRIPLED

At the end of the quarter, Echo Bay Mines had net earnings of

BLACKDOME EXPLORATION LTD.

UNDERGROUND PROGRAM FUNDED - Heath Steele Mines Ltd has advised Blackdome Exploration that it intends to finance a \$2,000,000 underground exploration and development program at the Blackdome mine, which could result in a production decision by late 1983 or early 1984. Heath has the option to purchase and earn 3,250,000 shares of Blackdome for \$11,250,000 to place the Clinton, B.C. gold mine into production. On completion, Heath will own 55% of the shares of Blackdome. In 1982, approximately \$1,250,000 of the financing schedule was completed.

In the past year 15,000 feet of diamond drilling was completed on the property, increasing the overall drill-indicated reserves to 455,000 tons averaging 0.32 oz. gold and 2.7 oz. silver per ton at a cutoff of 0.1 oz. per ton gold equivalent with a minimum width of 5 feet.

It is anticipated that underground work at the mine will commence in early April.

SUTHERLAND RESOURCES LTD.

CONTROL SHIFT AND PROPERTY ACQUISITION REPORTED - Sutherland Resources Ltd. has announced that negotiations for the acquisition of property in the Breakwater-Asamera Wenatchee gold area are in the final stages.

The following transfers within escrow have been proposed: 154,063 shares from Cantex Enterprises Ltd. to Macrim Investment Corp. (owned by Douglas E. McRae); 154,063 shares from Anker Projects Ltd. to Robert G. Hunter, president, Breakwater Resources Ltd.; 154,063 shares from Murray Pezim to Jerry Bradley.

Cornwall Petroleums Ltd. has agreed to sell 390,263 shares to the following people: 75,000 shares to Robert G. Hunter, 80,000 shares to Douglas E. McRae, 80,000 shares to Jerry Bradley, 75,000 shares to John A. MacPherson, 40,263 shares to Carlo G. Civelli, 40,000 shares to Gordon Smith.

The above transactions are all subject to regulatory approval. Share trading in Sutherland was halted by the Vancouver Stock Exchange on March 18, 1983 pending the announcements.

ARCTIC RED RESOURCES CORP.

HEMLO DEEP DRILL HOLE UNDERWAY - Arctic Red Resources has received additional funds of \$719,980 from the exercise of warrants. Working capital now stands at close to \$1,000,000. The issued capital is presently 4,726,500 shares. There are 589,750 non-transferable "B" warrants outstanding for the purchase of one share per warrant at a price of 99¢, exercisable on or before August 23, 1983.

At Arctic Red's Hemlo area property, Pine Bell Mines reports that drilling has started on a 6,000 ft. hole to test the down-dip projection of the horizon in which the International Corona East Zone occurs. The hole will investigate the great thickness of sediments for possible gold mineralization. Considerable interest has been shown in this hole, which will be the deepest drilled in the Hemlo camp to date.

On Arctic Red's LaForma property in Yukon, plans are being made for a resumption of work in the spring. Drifting and drilling will be continued from the No. 4 adit level to expand ore reserves. Ore reserves were increased last year from 68,546 tons of 0.44 oz. gold per ton to an estimated 87,426 tons of the same grade, plus additional inferred reserves of 60,000 tons. Murray Pezim and William Meyer have become company directors.

ICAN RESOURCES LTD.

CONTROL SHIFT AND PROPERTY ACQUISITION - Joseph Iwasenko, former president of Ican Resources Ltd. has reported he has agreed to sell 116,000 free and 750,000 escrow shares for \$65,000 to a group represented by the recently appointed new directors who are: Olaf Tolpinrud, president, Terry Sklavenitis and David Stewart. As part of the agreement Ican has agreed to acquire a 50% interest in 25 claims and a mining lease in McCaul township, Thunder Bay mining, Ontario from MerFin Management Limited, Dieter Peter for \$157,500 and 1,500,000 treasury shares. The 50% participation is subject to a 2%