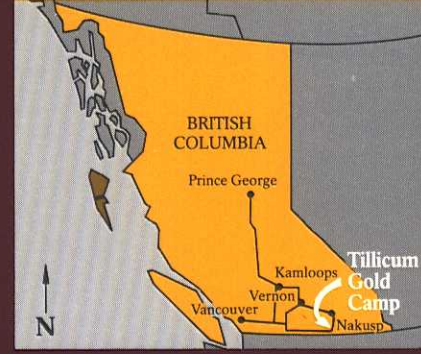


Tillicum

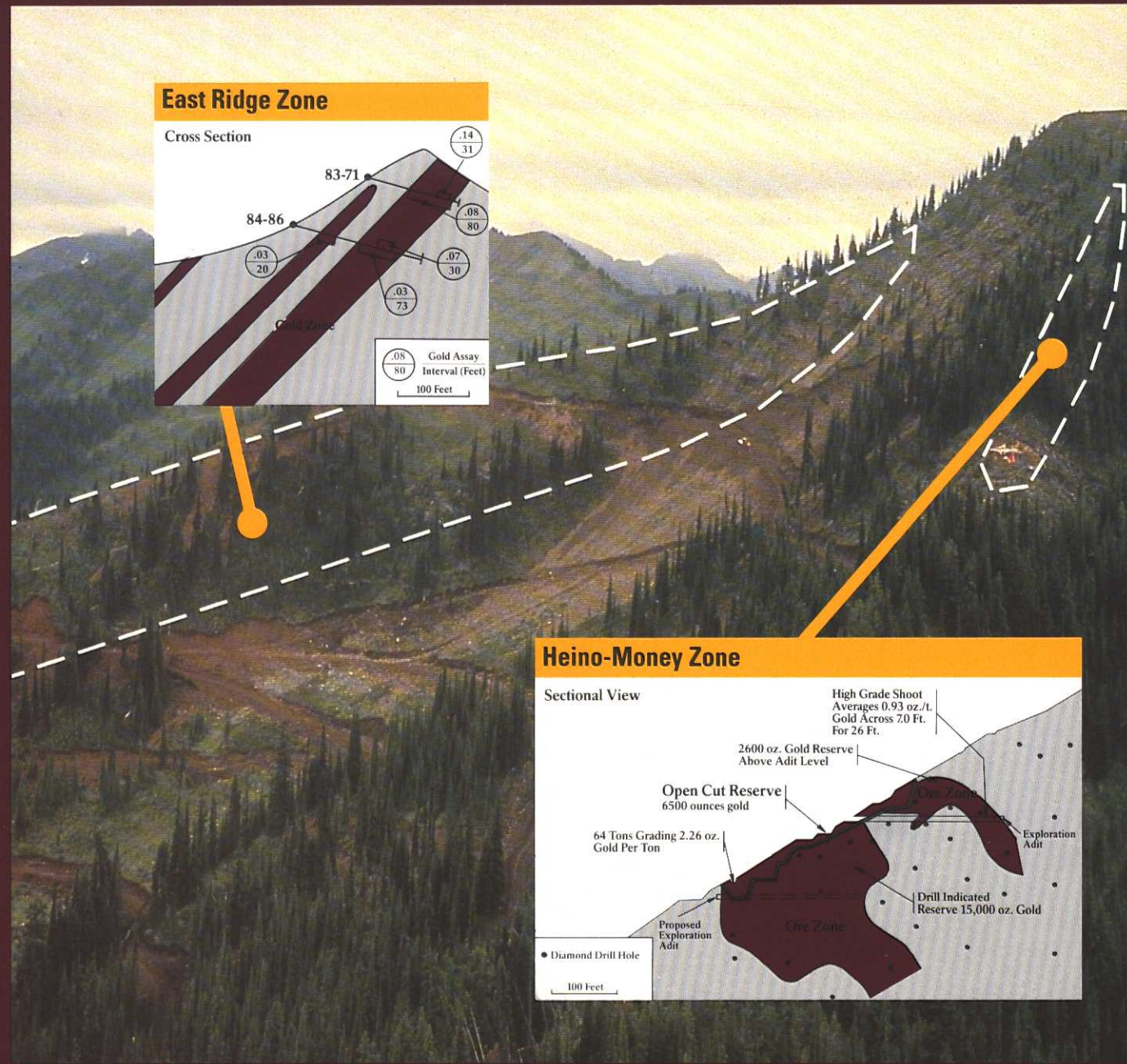
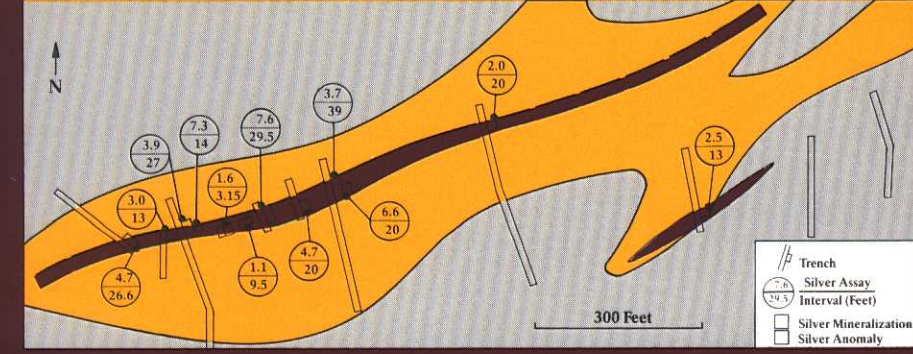


One of British Columbia's premier gold-silver properties

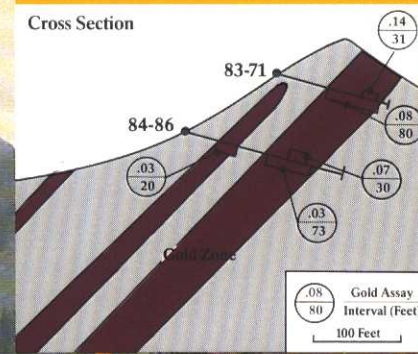
Location Map



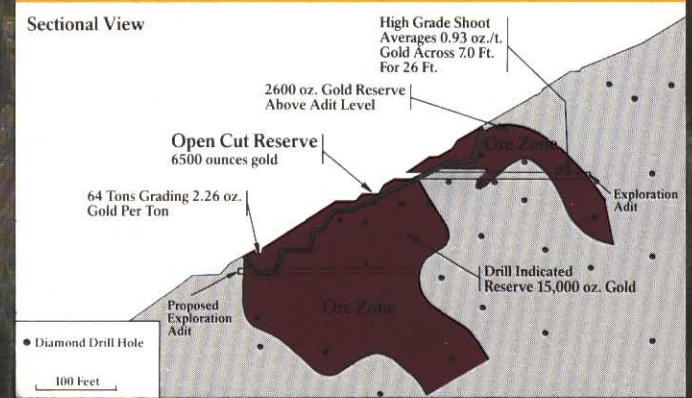
Arnie Flats Zone (1 mile southwest of Heino-Money)



East Ridge Zone



Heino-Money Zone



Exploring and developing the Tillicum gold-silver property...

Esperanza Explorations Ltd.

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Auditors
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1111 West Hastings Street
Vancouver, B.C.

Bank
Canadian Imperial Bank of Commerce
Main Branch
Hastings & Granville Street
Vancouver, B.C.

Listing
Resources Section
Vancouver Stock Exchange
Symbol: EEP

Capitalization
7,000,000 Authorized Common Shares—no par value
5,694,070 Issued (May 31, 1985)

La Teko Resources Ltd.

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T.M. Gibbeson
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Auditors
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806 - 675 West Hastings Street
Vancouver, B.C.

Bank
The Toronto Dominion Bank
839 West Hastings Street
Vancouver, B.C.

Capitalization
10,000,000 Authorized
4,326,124 Issued (May 31, 1985)

Traded
Vancouver Stock Exchange
Symbol: LAO
NASDAQ
Symbol: LAORF

Tillicum...a multi-potential property with a proven high-grade gold deposit and exciting promise as an open-pit, heap-leach producer.

Production possibilities make Tillicum excellent gold bet

The 12,000-acre *Tillicum Property*, situated in the Arrow Lakes region of southeastern British Columbia, has been well known to the local mining community since 1980 following the discovery of high-grade gold occurrences on Tillicum Mountain. One zone produced some of the most spectacular coarse gold specimens ever seen in B.C.

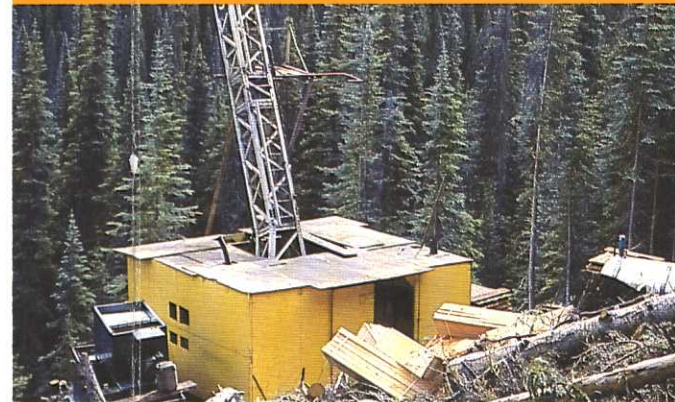
Esperanza Explorations Ltd. and La Teko Resources Ltd. are exploring Tillicum, which is 100% owned by Esperanza. Since 1982 La Teko has financed approximately \$2.3 million of exploration and development through a share purchase agreement which, when fully exercised, will see La Teko earn a majority shareholding (50.4%) of Esperanza.

This work has confirmed the presence of an easily accessible high-grade gold deposit averaging 0.6 oz/ton and outlined a second

deposit containing some five million tons with an average grade of 0.05 oz/ton which could be recovered by low-cost heap leaching. This lower-grade open-pit reserve compares favourably with those of successful heap-leach gold producers in the United States which operate in climates similar to Tillicum's. If preliminary metallurgical tests prove correct, British Columbia could soon have a major heap-leach precious metal producer. In addition, a production decision could be forthcoming for the higher-grade gold zones.

The recent discovery of a major new silver-gold zone adds yet more production potential to the multi-faceted Tillicum Property, one of B.C.'s best gold bets.

Surface Diamond Drilling



East Ridge drilling indicates open-pit deposit

Diamond drilling in 1984 successfully delineated additional reserves at *East Ridge*. Up to 100 feet thick, the East Ridge Zone has been extended to nearly 2,500 feet along strike and for 200 feet down dip; it remains open in all directions. Drill hole values vary up to 0.11 oz/ton gold over 39 feet. Gold grade of all 25 holes drilled in the East Ridge Zone averages 0.05 oz/ton.

Preliminary drilling of several parallel gold zones has outlined similar grades over comparable widths. Further drilling is a high priority for the 1985 field season and could add significantly to the overall reserves of East Ridge.

Potential geological reserves mineable by open pit have been estimated at over five million tons

grading 0.05 oz/ton gold. Many deposits of similar size and grade are being profitably exploited by heap leaching in the western United States. From preliminary metallurgical testing, Tillicum's open pit reserves have been found to be "free gold" and, thus, amenable to heap leaching. More thorough metallurgical testing is underway which could lead to the installation of a test leach pad.

Production feasibility for Heino-Money

In 1984, underground bulk and drift sampling on the *Heino-Money Zone* confirmed high-grade ore shoots averaging up to 0.93 oz/ton gold. Reserves presently stand at 40,000 tons of 0.6 oz/ton gold with a geologically inferred potential for 100,000 tons of similar grade. Ten thousand tons containing 9,000 ounces of gold occur near surface that could be mined by a small open cut.

The Heino-Money could support a high-grade mine and milling operation and provide cash for on-going exploration and development of Tillicum. A production feasibility study is scheduled for Summer 1985.

Surface Blasthole Drilling



Coarse Gold Specimens



Arnie Flats: A new silver-gold discovery

The 1984 field work outlined important new silver-gold mineralization within the 3,000 x 1,000 foot *Arnie Flats* silver geochemical anomaly. Prospecting in the westernmost part of the anomaly led to the discovery of silver mineralization with grab samples assaying up to 103 oz/ton silver and 0.22 oz/ton gold.

Channel samples taken from open cuts across the zone have yielded 5.0 oz/ton silver and 0.02 oz/ton gold over an average mineralized width of 20 feet. A 650-foot strike length has been exposed so far. Based on the

3,000-foot-long geochemical anomaly, there is excellent potential to add to the known strike length of the zone. Diamond drill testing is planned for 1985.

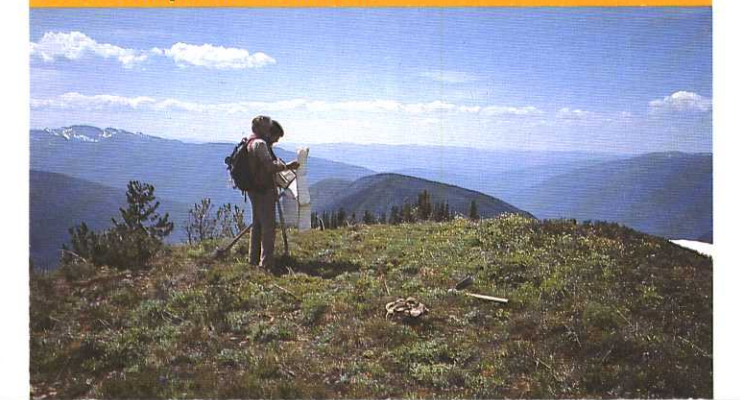
Promising targets remain untested

There are numerous other known gold and silver areas within the 234-claim Tillicum Property and favourable geologic environment exists for additional discoveries in areas yet to be explored.

A large silver zone, called the *Silver Queen*, has been traced by trenching over an open strike length of 2,000 feet with samples returning up to 11.7 oz/ton silver over 20 feet. In 1984, 11 drill holes intersected up to 3.6 oz/ton silver over 24 feet. Reserve potential of 3-ounce silver is estimated to be 3-5 million tons. The *Grizzly* massive sulphide zone is another area which has been prospected. Chip samples taken over 600 feet of a 1,300-foot mineralized zone have assayed up to 0.13 oz/ton gold over 16.4 feet.

Other large gold geochemical targets, yet untested, will be prospected and trenched in 1985.

Vast Unexplored Potential



Heino-Money Adit

