

## PRIME CAPITAL CORPORATION

**Newsrelease**

ESKAY CREEK 825767

104B/09

February 15, 1990

No. 71

Trading Symbol: VSE-CLP

**CALPINE RESOURCES INCORPORATED**

Calpine Resources Incorporated (Calpine) has received a preliminary reserve estimate for the 21 Zone mineralization on the Eskay Creek Property from Roscoe Postle Associates Inc. (RPA) of Toronto. The following is a summary prepared by RPA on behalf of Calpine and Stikine Resources Ltd.

" Roscoe Postle Associates Inc. (RPA) are preparing an independent reserve estimate on behalf of Calpine Resources Incorporated (Calpine) and Stikine Resources Ltd. (Stikine) for the 21 Zone mineralization on their Eskay Creek Property. The RPA work in progress involves preliminary geological reserve estimates at three different cut-off grades (0.25, 0.10 and 0.04 oz/ton Au) using drill hole data on holes up to CA89-205, and is scheduled to be completed by the end of February 1990.

The table below is an interim statement of the Probable and Possible Geological Reserves at a cut-off grade of 0.25 oz/ton Au.

**ESKAY CREEK - 21 ZONE  
PRELIMINARY SUMMARY**

<u>DEPOSIT</u>	<u>SHORT TONS</u>	<u>Au oz/ton</u>	<u>Ag oz/ton</u>	<u>% Pb</u>	<u>% Zn</u>
<u>PROBABLE GEOLOGICAL RESERVES</u>					
21B	1,073,000	1.66	43.3	2.1	5.2
21A	183,000	0.71	6.8	low	low
TOTAL	1,256,000	1.52	38.0		
<u>POSSIBLE GEOLOGICAL RESERVES</u>					
21B	437,000	0.88	32.8	2.1	4.8

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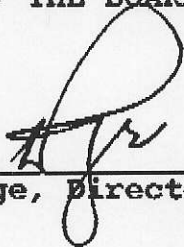
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- NOTES: (a) A cut-off grade of 0.25 oz/ton Au and a minimum thickness of 2.0 m was applied in the preparation of this estimate.
- (b) A specific gravity of 2.76 was used for all tonnage estimates.
- (c) Generally gold assays are uncut.
- (d) Some previous statements have used other deposit names. The 21 A Zone is in general equivalent to the former 'South Zone' while the 21 B is generally equivalent to the former 'Central and North Zones'.

While these preliminary estimates are part of a larger ongoing study, it is considered by RPA that they are unlikely to change significantly when the final report is submitted to Calpine and Stikine. "

ON BEHALF OF THE BOARD OF DIRECTORS



Lawrence Page, Director

# release

June 4, 1990

No. 33  
Trading Symbol: VSE-PRU

## PRIME RESOURCES GROUP INC.

Prime Resources Group Inc. ("Prime") announced today that it has entered into a supplemental agreement to the agreement announced on April 19, 1990 to combine Prime and Stikine Resources Ltd. ("Stikine") into a new company by plan of arrangement.

The supplemental agreement between Prime, Stikine and Corona Corporation ("Corona") together with principal shareholders of Prime and Stikine will result in the formation of Corona Gold Corporation ("Corona Gold") and Prime Equities Inc. ("Prime Equities").

Corona Gold will be a publicly traded gold company consisting of Corona's directly and indirectly owned gold assets and the gold mining assets of Prime and Stikine; such principal assets being their collective 100% interest in the Eskay Creek Project and a 40% interest in the SNIP Project. The Eskay Creek Project is estimated to contain in excess of 5.0 million ounces of gold and gold equivalent which, when added to Corona's present reserves of approximately 7.0 million ounces of gold, will give Corona Gold projected gold and equivalent reserves in excess of 12.0 million ounces. Corona Gold will engage exclusively in gold mining. Its 1990 production is expected to exceed 700,000 ounces of gold and gold equivalent at an estimated direct operating cost of approximately \$200 (US) per ounce. Production will come from 11 operating mines in Canada, the United States and Mexico.

Prime shareholders will receive in exchange for each Prime share one share of Corona Gold. Stikine shareholders will receive in exchange for each Stikine share two shares of Corona Gold and 6.5 shares of Corona. After distribution by Corona to its shareholders of Corona Gold shares, Corona will own approximately 45% of Corona Gold.

Prime shareholders will receive by way of distribution one share of Prime Equities for each Prime share. Prime Equities has been created to hold the existing portfolio of shares of public companies presently owned by Prime. Many of such companies hold mineral claims in the Eskay Creek area of British Columbia. Prime Equities will manage over 50 exploration programs for 1990 expenditures of over \$24 million.

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**PRIME CAPITAL CORPORATION****release**

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Subsequent to passage of the Plan of Arrangement, Corona Gold proposes to apply for listing of its shares on the Toronto, Montreal and Vancouver Stock Exchanges as well as seeking listing on appropriate U.S. and European exchanges. Prime Equities proposes to apply for listing of its shares on the Vancouver and Toronto Stock Exchanges.

The proposed arrangement has been approved in principle by the boards of directors of Prime, Stikine and Corona and is subject to requisite regulatory and Court approvals and receipt of fairness opinions to be provided to the shareholders of each company. It is anticipated that the arrangement would be submitted to meetings of the shareholders of each company by the end of August, 1990.

**ON BEHALF OF THE BOARD OF DIRECTORS**



**Lawrence Page**  
**Senior Vice-President**  
**and Director**