

vertical extent. Such shoots were very difficult to find in the early days using sinking and drifting. Today, with modern geological, geophysical and geochemical techniques, there is little doubt that substantial additional bodies of gold-copper-silver ore remain to be discovered.

Drill intersections from a small program near the "Little Billie" in 1984 showed mineralization grading 2% Cu 6.52 g/tonne (.23 oz.) Au, and 29.8 g/tonne (1.05 oz.) Ag over 3 metres. And it is felt that there is geological potential for several deposits of 200,000 tonnes of material grading 5 to 12 g/tonne (.17 to .42 oz.) Au, 20 to 100 g/tonne (.7 to 3.5 oz.) Ag, and 1.5 to 3.5% Cu.

Industrial Mineral Potential

The copper-gold skarns of the Little Billie mine are mostly associated with the calcium silicate skarn (Wollastonite). This hard fibrous material is finding ever increasing use in the ceramic and plastic industries, as well as a substitute for asbestos. In fact, recent studies at U.B.C. indicate the Wollastonite may have more value than the associated ores.

1987 Program

During 1986 the data compilation was completed, bringing all the former information together to outline a comprehensive picture of the Vananda camp. A grid was established and some geological mapping and soil geochemistry was started. The geochemistry analysis showed several broad areas of high gold anomalies and a large soil geochemistry survey is now underway.

Geological mapping and geophysics is planned for early 1987. Trenching will begin at this time. Targets developed will be drilled during the summer of 1987. An ongoing program would include extensive drilling and rehabilitation of existing underground workings.

Corporate Data

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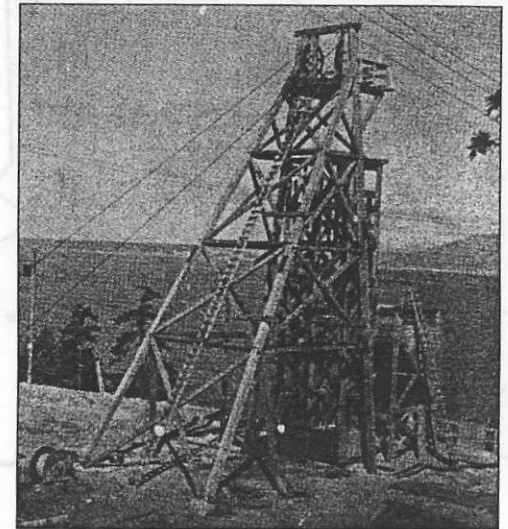
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Hugh Billings, Vancouver – *Director*
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The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this brochure.

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92F/09



Vananda Gold Ltd.



Little Billie Mine, 1948

Vananda Gold Ltd. is an active exploration and development company specializing in precious metal prospects. The company currently controls the claims of all the former major producing mines on Texada Island (in the Georgia Strait), British Columbia.



Area Of Exploration

The property controlled by Vananda Gold is on northern Texada Island, 80 kilometers northwest of Vancouver and is accessible by provincial highway, ferry and air. Numerous public and private roads provide easy access to the property.

Due to its location in the Georgia Strait area, Texada Island enjoys a mild climate enabling mining exploration and development work to proceed on a year round basis.

Vananda Gold controls 123 claims in a block approximately 3.5 x 8.5 km. Mineral rights are held by way of located claims, Crown-granted claims and Mining Leases.

History

The northern part of Texada Island has been an important mining area since the late 1800's. Initially, between 1897 and 1929, the gold-copper-silver skarn deposits near the village of Vananda were the targets for production in excess of 250,000 tonnes of high-grade ore. Later, between 1948 and 1952, one of the mines known as the "Little Billie", produced another 58,000 tonnes of ore.

There are two distinct families of skarn deposits on the property, and between the years 1952 to 1976, the large magnetite skarn deposits from the southern section produced more than 10 million tonnes of iron concentrates with excellent byproduct copper, gold and silver.

By 1977, the current Vananda Gold property had been consolidated and serious ground work, consisting mostly of geophysics and diamond drilling, commenced and has continued with some interruptions to the present.

Vananda Gold has recently undertaken a systematic compilation of all previous results and this is the basis upon which future programs are being designed.

Geology & Mineral Deposits

The Vananda Gold property is underlain by a succession of volcanic and sedimentary skarn. The limestone overlays the volcanic and both have been cut by intrusive rocks. In the area of the Texada iron mines the intrusive rock is principally composed of quartz diorite and granodiorite. Near Vananda, closely associated with the gold-copper mines, are smaller bodies of diorite, diorite porphyry and locally more basic intrusive rock.

Because of relatively high precious metal values, the Vananda deposits are the most attractive exploration targets at present. These gold-copper-silver deposits consist of narrow lenses or shoots of skarn mineralization with restricted cross-sectional area but very considerable (250 metres plus)

PRODUCTION GRADES FOR TEXADA ISLAND MINES

Mine	Years	Tonnes	Au		Ag		Cu%
			g/t	oz.	g/t	oz.	
Copper Queen	1903-1907	3,326	11.2	.39	84.0	2.96	4.5
Copper Queen	1907-1917	749	13.2	.46	100.5	3.5	4.3
Cornell	1897-1919	40,687	11.6	.40	53.9	1.9	3.4
Little Billie	1896-1916	5,711	8.8	.3	38.6	1.36	2.4
Little Billie	1948-1952	58,000	5.4	1.9	16.9	.56	1.2
Marble Bay	1899-1929	199,210	7.8	.27	63.4	2.23	3.4
Total Vananda		307,683	7.9	.27	53.2	1.87	3.0
Lake	1901-1921	946	3.2	.11	38.0	1.34	5.0
Prescott	1895-?	733	3.8	.13	43.4	1.53	5.3
Texada Iron	1957-1976	18,800,900	.567	.02	1.25	.04	0.14