

BEAU PRE EXPLORATIONS LTD.

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BLAZE

July 16, 1985

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BEAU PRE MINES LTD.

NEWS RELEASE

RE: The Blaze Group, 100% Owned Valentine Mountain Project (the "Property"), Vancouver Island in the Leech River Gold Camp Located Approximately 40 kilometers due west of Victoria, B.C.

Robert Beaupre, President of Beau Pre Explorations Ltd. (the "Company") announces that the Company and Falconbridge Limited ("Falconbridge") have settled the terms of an agreement dated as of June 3, 1985 (the "Agreement") involving an Option and Joint Venture on the Property. Under the terms of the Agreement, Falconbridge has been granted an option to pay to the Company \$200,000.00 in cash and to spend \$1.3 million on the Property, over the period from June 3, 1985 to June 30, 1988, in exchange for which Falconbridge will, at its option exercisable up to September 30, 1988, earn an undivided 51% beneficial interest in the Property and a Joint Venture will come into affect. For a period of thirty days following the date it gives notice of exercise of its option to acquire a 51% beneficial interest, Falconbridge shall have the option to acquire up to a further 9% beneficial interest in the Property by paying to Beau Pre \$200,000.00 for each additional 1% beneficial interest acquired up to a maximum of \$1.8 million to acquire a maximum additional 9% beneficial interest. Thereafter, the proportional interest of the parties in the Joint Venture will be determined by their contributions to ongoing development work, provided that if the Company's interest is, through repeated non-contribution, diluted to 20% or less, then the Company's interest will revert to a 15% interest in "net proceeds of production" (as defined in the Agreement).

The Property presently constitutes the Company's major asset. Therefore, the Agreement could be considered to involve the sale or other disposition of "...the whole or substantially the whole of the undertaking..." of the Company within the meaning of Section 150 of the Company Act (British Columbia). Accordingly, the shareholders of the Company will be asked, at an Extraordinary General Meeting to be held August 10, 1985, to pass a Special Resolution approving and authorizing the execution and delivery of the Agreement by the Directors of the Company. All of the Directors of the Company have agreed to support the Resolution since they believe it to be in the best interests of the Company and the Company's shareholders.

Falconbridge wishes to commence work on the Property immediately, and since the Agreement cannot be considered binding on the Company until the shareholders have approved the Agreement by Special Resolution, the Company and Falconbridge have entered into a separate agreement whereby Falconbridge will be granted access to the Property immediately on the basis that if the Special Resolution approving the Agreement is not

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passed, Falconbridge will acquire no interest whatsoever in the Property despite the fact that it may have expended funds on the Property and further, the Company will not be indebted or obliged to Falconbridge in any way whatsoever in respect of reimbursement for such funds expended.


As mentioned in our June 7, 1985 New Release, Falconbridge has already conducted preliminary assessment work on the property, including resampling some of the drill core from the Company's 1982/83 drill program. The Company's geological consultant, Dr. E.W. Grove, in his February 28, 1984 geological report, referring to the drill program, stated that "The general lack of assay grade confirmation has been disconcerting and can be partially explained as a sample preparation problem." The Company is pleased to announce that Falconbridge has used its expertise in resampling some of the drill core and a sample of such results are shown on the following table:

<u>Beau Pre 1982/83 Drilling Results</u>			<u>Falconbridge Ltd. 1985 Re-sampling Results</u>		
<u>Drill Hole #</u>	<u>Footage</u>	<u>Gold/Oz/Ton</u>	<u>Drill Hole #</u>	<u>Footage</u>	<u>Gold/Oz/Ton</u>
A6	30-31	0.174	A6	30-31	0.597
A6	31-32	0.018	A6	31-32	0.011
A6	43-44	0.011	A6	43-44	0.173
A6	182-183	0.026	A6	182-183	0.039
3	17.8- 19	0.096	3	17.8- 19	0.232

In view of the above and the assay results in the Company's new trenches ranging as high as 3.891 ounces gold per ton, the Company anticipates an exciting exploration program developing in the next few months. Falconbridge has demonstrated its ability to use proven methods to explore and develop the potential of the Company's Property and the Board of Directors urge all shareholders to approve the Agreement at the Extraordinary General Meeting scheduled for August 10, 1985.

BEAU PRE EXPLORATIONS LTD.

Per:


Robert Beaupre,
President

This news release was prepared by Robert Beaupre on behalf of the Board of Directors of the Company, who takes full responsibility for its contents. The Vancouver Stock Exchange has neither approved nor disapproved the information contained here.