

Blue Ice

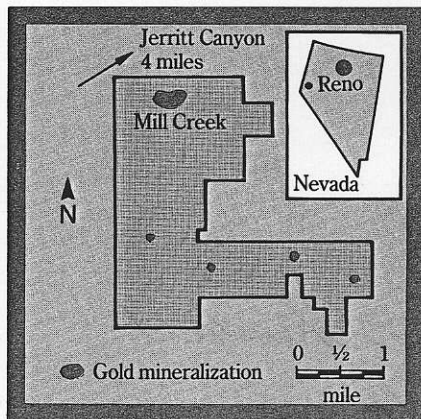
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TUSCARORA (2.19% NSR)

In 1988, Freeport-McMoRan Gold Company completed 9,820 feet of drilling in 39 holes in the Mill Creek Zone on the Tuscarora property in northern Nevada. Reserves are now estimated at 1,184,400 tons grading 0.152 ounces of gold per ton, and 200,000 tons of heap-leachable material grading 0.042 ounces of gold per ton. Freeport has outlined an additional resource of 361,500 tons grading 0.088 ounces of gold per ton and 276,800 tons of heap-leachable material grading 0.039 ounces of gold per ton at Mill Creek. Construction of the haulage road which will connect the Freeport milling facilities to Mill Creek will commence in 1989, with production from the property expected in 1990. Freeport will continue reserve delineation, exploration and condemnation drilling on the Mill Creek Zone in 1989. The Company has a 2.19% net smelter interest in the property, and until such time as it is placed in production, will receive \$43,000 U.S. per annum as its share of annual payments made to the Owyhee Syndicate.

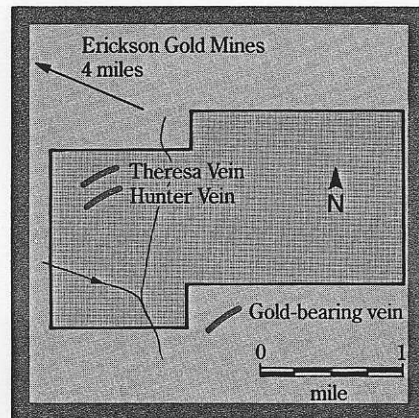
Tuscarora Property



HUNTER (36%)

Erickson Gold Mines, a subsidiary of Total Energold Corporation, carried out an extensive exploration program on the 1200-acre Hunter property located in northern British Columbia. The results of the geophysical and geochemical surveys identified an altered horizon with which gold mineralization at the Erickson Mine is associated. Further drill testing of the Hunter and Theresa Veins along the contact of the altered zone is planned in 1989. Surface chip sampling of the veins has returned values as high as 62 ounces of gold per ton across 2.8 feet. Erickson can earn a 60% property interest by expending \$600,000 on exploration and making cash payments totalling \$40,000 over four years.

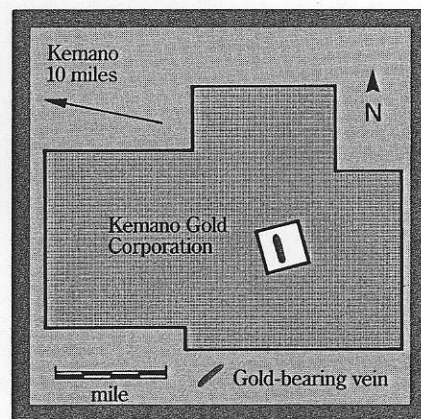
Hunter Property



SMITH-NASH (50%)

Extensive exploration was carried out this past year on the Smith-Nash gold property located 40 miles southeast of Kitimat, British Columbia. In June, Whitesail Minerals Corporation, the previous optionee, relinquished its option on the property which was subsequently farmed-out to Fleck Resources Ltd. of Vancouver. Fleck can earn a 50% property interest by expending \$500,000 on exploration, or a 65% interest by expending \$750,000. Based on surface sampling and drilling, Fleck has calculated a geological resource of 22,190 short tons grading 0.301 ounces of gold per ton across an average width of 7.25 feet for the Smith-Nash vein, which remains open downdip and along strike. Additional exploration is planned for 1989. As a result of its previous agreement with Whitesail, Silver Standard has certain rights with respect to claims peripheral to the Smith-Nash claim.

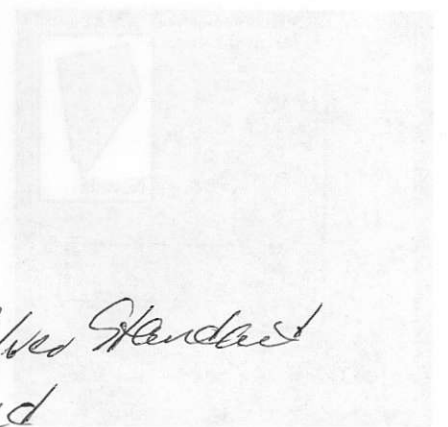
Smith Property



TUCARORA (2,100 NEW)

In 1988, Prospect-McDoran Gold Company completed 8,320 feet of drilling in 39 holes in the Mill Creek Zone on the Tucarora property in northern Nevada. Recovered are now estimated at 1,184,400 tons grading 0.152 ounces of gold per ton and 200,000 tons of base-metalizable material grading 0.042 ounces of gold per ton. Prospect has outlined an additional resource of 381,300 tons grading 0.098 ounces of gold per ton and 200,000 tons of base-metalizable material grading 0.033 ounces of gold per ton at Mill Creek. Construction of the Mill Creek plant will connect the Prospect mill to the Mill Creek plant. Prospect will continue in 1989, with production from the property expected in 1990. Prospect will continue reserve estimation, exploration and construction drilling on the Mill Creek Zone in 1989. The Company has a 10% net smelter interest in the property and will acquire an additional 5% interest with cash to be placed in production, will receive \$12,000 U.S. per annum as its share of annual payments made to the Oryx System.

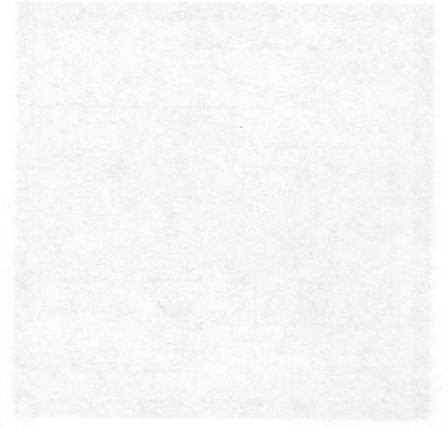
The Tucarora Property



HUNTER (200)

Richard Gold Mines, a subsidiary of International Corporation, carried out an extensive exploration program on the 1300-acre Hunter property located in northern British Columbia. The results of the geophysical and geochemical surveys identified an altered horizon with which gold mineralization at the Hunter Mine is associated. Further drill testing of the Hunter and Theresa Veins along the contact of the altered zone is planned in 1989. Surface chip sampling of the vein has returned values as high as 62 ounces of gold per ton across 2.8 feet. Richard can earn a 50% property interest by expending \$200,000 on exploration and testing cost payments totaling \$10,000 over five years.

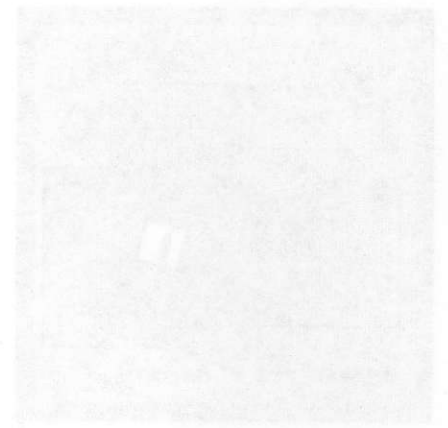
Hunter Property



SMITH-WASH (500)

Extensive exploration was carried out this year on the Smith-Wash gold property located 40 miles southeast of Kamloops, British Columbia. In June, Wash Minerals Corporation, the project sponsor, relinquished its option on the property which was subsequently turned over to Prospect Resources Ltd. of Vancouver. Prospect has a 50% property interest by expending \$500,000 on exploration or a 50% interest by expending \$250,000. Based on surface sampling and drilling, Prospect has estimated a geological resource of 100,000 short tons grading 0.300 ounces of gold per ton across an average width of 1.25 feet for the Smith-Wash vein, which trends approximately north-south. An initial exploration is planned for 1989. As a result of the 1988 agreement with Wash Minerals, Prospect has certain rights with respect to other properties in the Smith-Wash area.

Smith Property



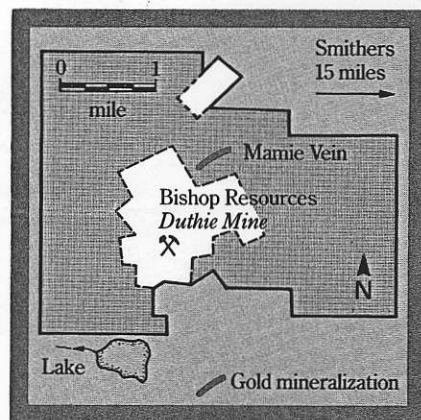
Consolidated Silver Standard
Placer Limited
Annual Report 1988

(5)

MAMIE (100%)

The Company carried out additional metallurgical testing on a bulk sample taken from the Mamie property located 15 miles west of Smithers. Results indicate that an economic concentrate is not attainable using conventional flotation or cyanidation methods and no further work is planned for the immediate future. Reserves presently total 61,000 tons grading 0.28 ounces of gold per ton, 1.5 ounces of silver per ton and 5 percent zinc.

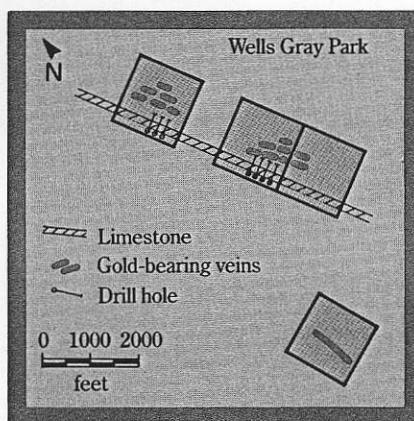
Mamie Property



BLUE ICE (65%)

The Blue Ice claims situated in the northwest corner of Wells Gray Provincial Park cover gold mineralization in quartz veins associated with sulfide replacement of a limestone horizon. Ten holes drilled on the Blue Ice property in 1938 encountered gold mineralization, with the better intersections assaying 1.50 ounces across 15 feet, 0.70 ounces across 5 feet, and 0.21 ounces across 7 feet. In December, the Ministries of Environment, and Mines and Petroleum Resources announced that exploration in Wells Gray Park would be prohibited and holders of existing mineral tenures would be compensated. The Company will seek compensation which reflects the drill-indicated potential of the property.

Blue Ice Property



SILICA (100%)

The Company has four properties principally valued for silica. The Longworth, AN, WIN and SIL collectively have drill-indicated reserves in excess of 20,000,000 tons grading 99.5 percent SiO₂. Current silica prices preclude the near-term development of these properties, but the Company continues to receive enquiries with respect to their status and will maintain them in good standing as a long term asset.

RARE EARTHS (100%)

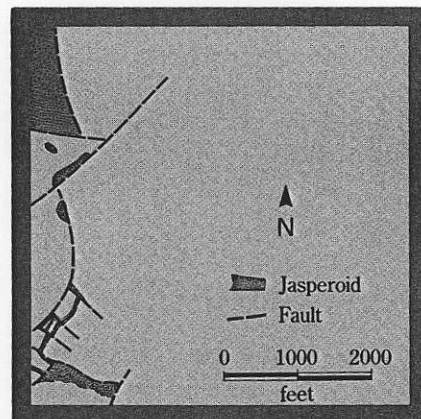
Rock samples collected from the *Beaver* property located in the southeast Yukon Territory were analyzed to determine the nature of the rare earths-hosting lithologies. Samples containing up to 3 percent combined rare earths have been collected from the property. We will continue to seek a joint venture partner to further advance this project.

On our 35-claim *Lac Sairs* property in southwest Quebec, the Company carried out line-cutting and ground geophysical surveys. The results of a recent airborne radiometric survey were encouraging, as a number of coincident radioactive and VLF-EM anomalies were identified. Ground follow-up of the radioactive anomalies is planned for the spring of 1989.

ASSOCIATED COMPANIES

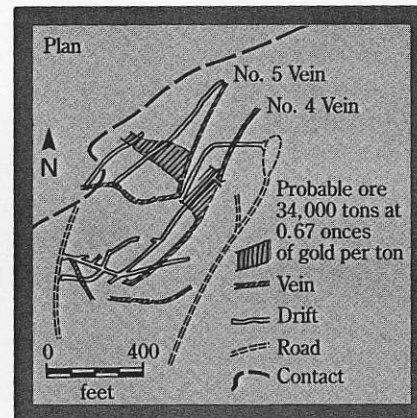
Lord River Gold Mines Limited (Consolidated Silver Standard Mines Limited 25%) has obtained encouraging results from its *Trout Creek* option located 15 miles south of Carlin, Nevada. Drilling of a gold-bearing jasperoid on the property returned significant intersections with the best intersection to date assaying 0.13 ounces of gold per ton over 80 feet near surface. Lord River's immediate objective is to outline 100,000 ounces contained in near-surface reserves and is on its way to reaching this objective. Lord River can earn a 55% property interest by producing a bankable feasibility study and paying annual advance royalties of U.S. \$25,000.

Trout Creek Property



Lord River carried out a \$150,000 underground exploration program on the *Pellaire* gold property located 120 miles north of Vancouver. The Company's joint venture partner, Cathedral Gold Corporation, did not participate in this program. The results confirmed the continuation of the gold-bearing No. 4 and No. 6 Veins, but did not improve on the current geological reserve of 34,000 tons grading 0.67 ounces of gold and 2.3 ounces of silver per ton. The joint venture partners are considering alternative means of advancing this project.

Pellaire Property



Mutual Resources Limited (Consolidated Silver Standard Mines Limited 25%) carried out exploration programs on three of five properties. Drilling on the 13 claim *Dixie Lake* property located 15 miles south of Red Lake, Ontario confirmed the presence of gold within sulfide-facies iron formation. The best drill intercept to date assayed 0.30 ounces of gold per ton across 6 feet. Surface geophysical surveys have identified a number of anomalies which require follow-up in the coming year. Prospecting on *TOD* claims located 15 miles east of Flin Flon, Manitoba, confirmed the presence of favourable lithology which host gold mineralization elsewhere in the area, indicating a need for additional work.

Geophysical and geochemical surveys were undertaken on the *BRE* claims which border the Cinola gold deposit on the Queen Charlotte Islands. City Resources (Canada) Ltd. has announced the deposit, containing 27,300 tons grading 0.067 ounces of gold per ton, may be placed in production by late 1990. Mutual had \$62 million in working capital at year-end.

BRE Property

