

NEWS RELEASEVancouver Stock Exchange
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CANADIAN UNITED MINERALS, INC. ("CUMI") announced today the following developments with respect to the Agreements on its Dome Mountain Property near Smithers, British Columbia (the "Property").

The Property was originally acquired by Noranda Exploration Company, Limited ("Norex") by various agreements which provided for work commitments and royalty payments to several vendors including Reako Explorations Ltd. ("Reako") and Panther Mines Ltd. ("Panther").

CUMI originally acquired a 100% interest in the Property by an agreement with Norex (the "Norex Agreement") whereby CUMI was obligated to expend \$3,000,000 to conduct work programs on the Property. The interest was subject to Norex's right, at the time a production decision is made, to reacquire a 50% interest in the Property by electing to fund or repay expenditures (the "Norex Option"). CUMI in turn granted Teeshin Resources Ltd. ("Teeshin") the right to acquire 75% of CUMI's interest by agreeing to make all expenditures required under the Norex Agreement (the "Teeshin Option").

Pursuant to an agreement dated October 10, 1986, Reako and Panther acquired the right to acquire Norex's interest in the Property by paying \$3,100,000 to Norex (the "Reako Panther Option").

Pursuant to a series of agreements Total Erickson Resources Ltd. ("TERL") has been appointed as Project Manager of the Property and has agreed, subject to certain conditions, to take an assignment of the Reako Panther Option in consideration of converting the interest of Reako and Panther in some of the properties comprising the Dome Mountain Property to net smelter royalties in all of the properties comprising the Dome Mountain Property and the issuance by CUMI of 100,000 common shares to each of Reako and Panther. Subject to certain conditions being satisfied, CUMI shall acquire

TERL's interest in the property in consideration of the issuance of 3,650,000 shares of a new class of shares to be established by CUMI, which shares shall be convertible into common shares of CUMI on a one (1) for one (1) basis and shall be redeemable under certain circumstances (the "TERL Purchase"). TERL will also provide funding of up to \$2,900,000 to conduct work programs on the Property. For each \$0.85 of expenditures to conduct work programs on the property, TERL will be issued one flow through share of a new class of shares to be established by CUMI which shall be convertible into common shares of CUMI on a one (1) for one (1) basis and will be non-redeemable.

As a result of the Agreements, assuming the Norex Option is exercised and the TERL Purchase completed, and that Teeshin does not exercise its option, CUMI will have acquired a 100% interest, subject to royalties, in the Property.

The Agreements are subject to regulatory approval and the approval of the Directors of each of the companies involved.


Previous work done by CUMI and others on the 20 square mile property has discovered 14 significant gold-silver quartz-carbonate vein showings. The exploration work to date has been concentrated on the Boulder Creek, Cabin Vein and Forks zones.

The Boulder Creek zone was discovered in 1985 by trenching a geochemical anomaly. Follow-up diamond drilling on this zone has intersected ore grades over mineable widths in 19 drill holes over an 820 foot strike length. Half of these holes ran in excess of 0.5 oz. of gold per ton and one ran 2.1 oz. of gold per ton across 16.8 feet. The full potential of this zone has not been examined and it remains open to extension in all directions. A summary of the 19 holes in this zone is attached.

Two gold bearing veins have been located in the Forks zone. Five diamond drill intersections in this zone have widths in excess of 5.0 feet with values ranging between 0.29 and 0.70 ounces of gold per ton and 2.12 and 3.65 ounces of silver per ton.

The next phase of property work at Dome Mountain will likely consist of underground exploration and further diamond drilling to increase reserves in the Boulder Creek, Cabin Vein and Forks zones.

An Engineering Report by N.C. Carter, Ph.D., P.Eng., dated August 9, 1986 indicates 240,000 tons grading .458 oz/ton gold and 2.32 oz/ton silver with an average width of 8.8 feet. This is a mineable reserve in the Boulder Creek Zone. Since Dr. Carter's report additional trenching and drilling has been done to extend the zone to the west for an additional 1,500 feet. Eight (8) drill holes have been completed on this extension the results of which are not yet available.



~~LEIF OSTENSOE - PRESIDENT & DIRECTOR~~

This News Release has been prepared by Leif Ostensoe, President and a Director of CANADIAN UNITED MINERALS, INC., who accepts full responsibility for its contents.

The Vancouver Stock Exchange neither approved nor disapproved the information contained herein.

DOM MOUNTAIN PROJECT

SIGNIFICANT INTERSECTIONS ON THE BOULDER CREEK ZONE TO SEPTEMBER 1, 1986

HOLE #	INTERSECTION (Metres)	CORE LENGTH (feet/metres)	OUNCES PER TON GOLD
Hole 5	22.39 -27.51	16.80' / 5.12m	2.100
Hole 6	40.00 -48.56	28.08' / 8.56m	0.200
Hole 7	23.78 -32.08	27.36' / 8.34m	0.131
Hole 8	38.11 -54.50	53.77' / 16.39m	0.510
Hole 9	79.84 -81.36	4.99' / 1.52m	0.476
Hole 11	22.33 -23.47	3.74' / 1.14m	0.662
Hole 13	28.83 -29.93	3.61' / 1.10m	0.812
Hole 14	44.92 -48.01	10.14' / 3.09m	0.696
Hole 15	50.00 -52.24	7.35' / 2.24m	0.494
Hole 16	24.03 -26.60	8.43' / 2.57m	0.850
Hole 17	38.59 -39.95	4.63' / 1.41m	0.673
Hole 18	25.04 -26.50	4.79' / 1.46m	1.193
Hole 19	34.78 -38.89	13.48' / 4.11m	0.398
Hole 20	17.15 -18.58	4.69' / 1.43m	0.188
Hole 22	13.83 -15.83	6.56' / 2.00m	0.302
Hole 23	22.63 -26.62	13.09' / 3.99m	0.331
Hole 25	60.50 -65.50	16.40' / 5.00m	0.147
Hole 41	110.50 -115.50	16.40' / 5.00m	0.420
Hole 51	65.46 - 66.55	3.58' / 1.09m	0.906

NOTE: On the basis of drilling done to date, it is expected that silver values will average about 2.0 oz. per ton.