

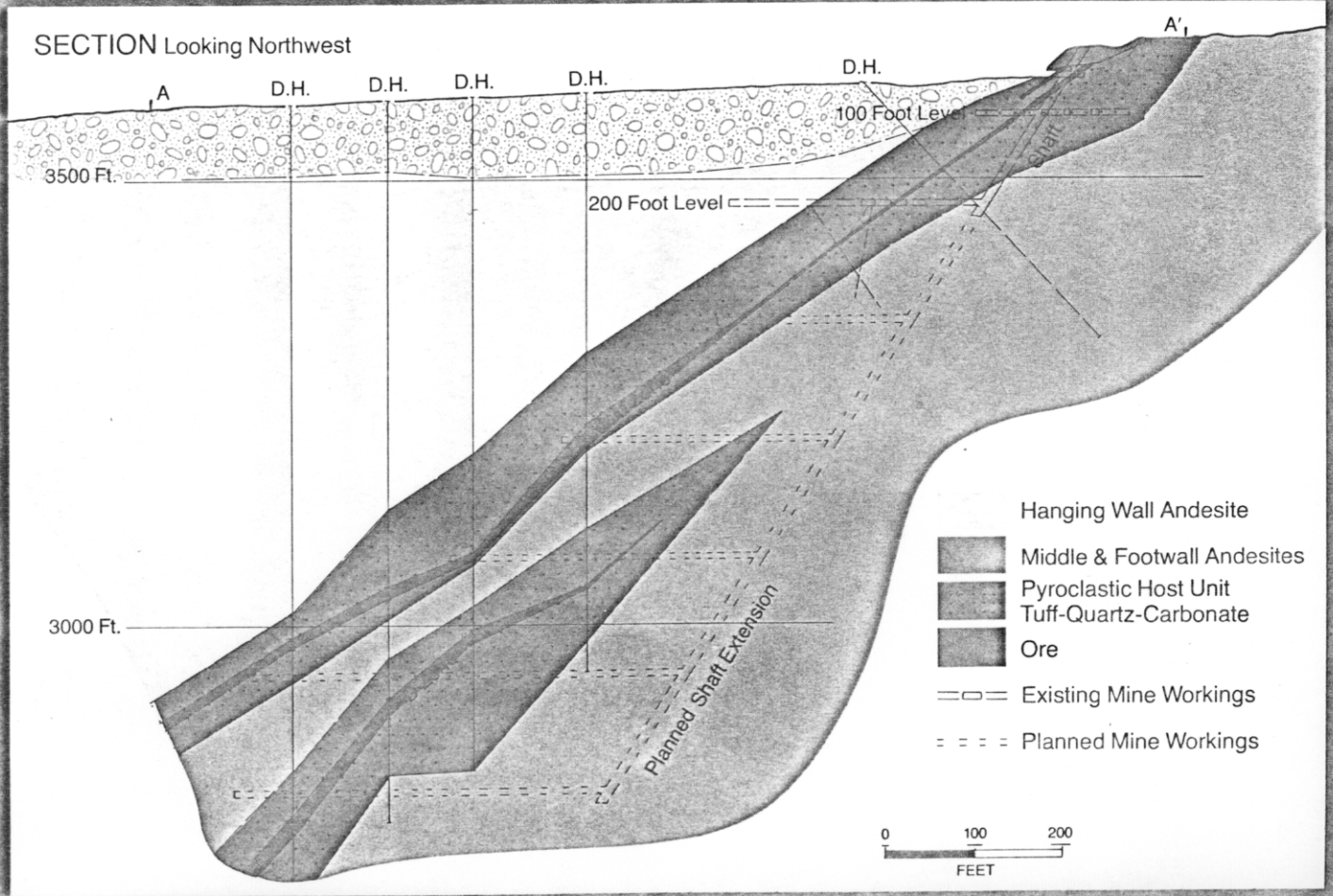
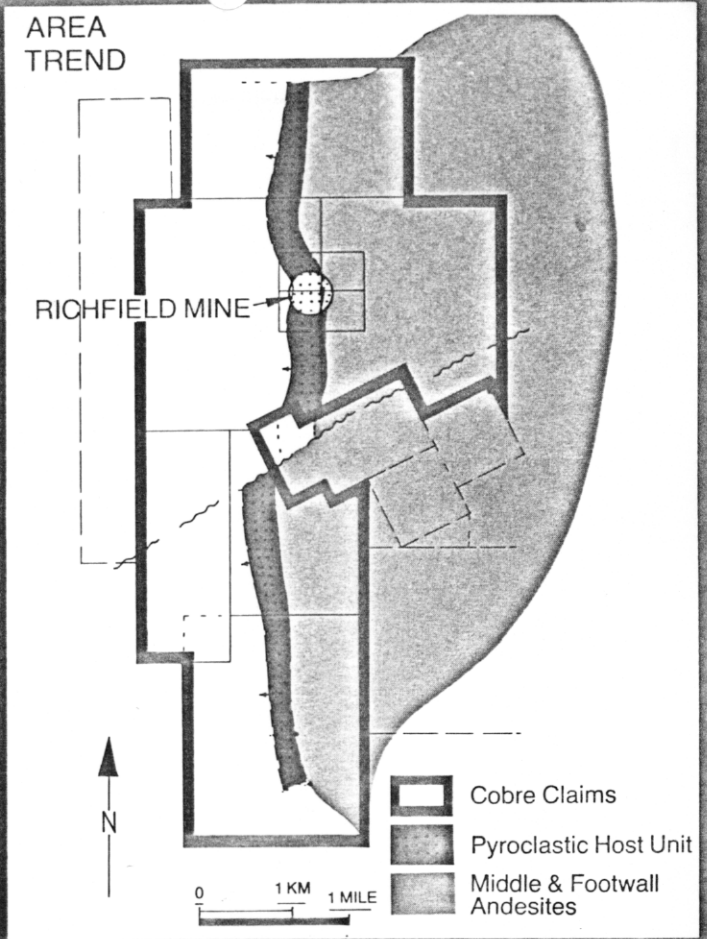
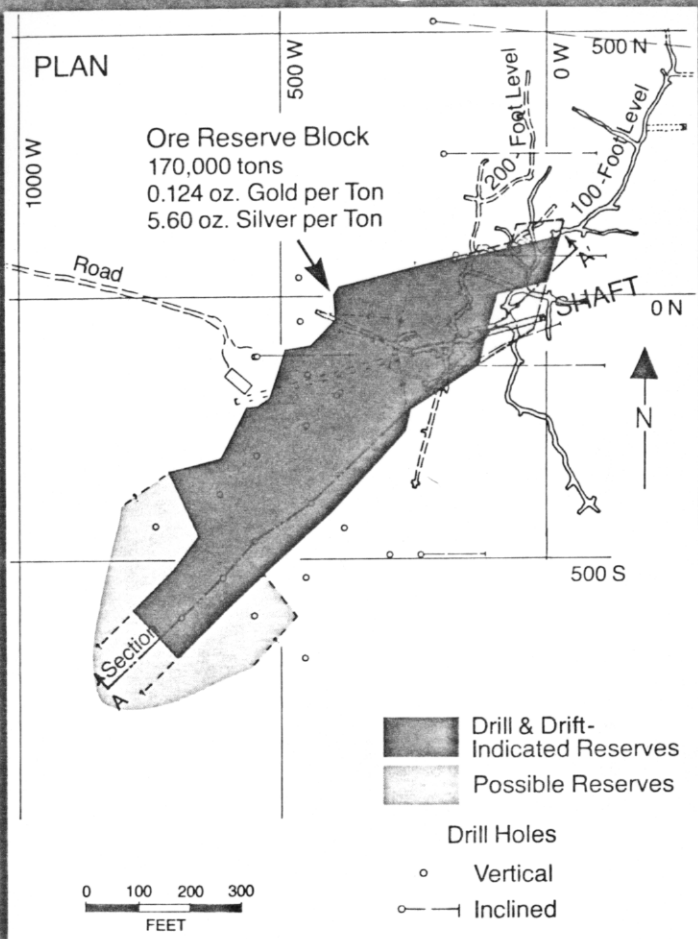
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COBRE

EXPLORATION LTD.



*Developing the Richfield
Gold-Silver Mine in
Central British Columbia*



Richfield Gold-Silver Mine

Omineca Mining Division British Columbia

Results To Date

Exploration by Cobre during 1980 developed drill and drift-indicated reserves totaling 170,000 tons averaging 0.124 oz/ton gold and 5.60 oz/ton silver. This reserve, which contains 21,000 ounces of gold and 950,000 ounces of silver, represents a gross value of \$29 million Cdn. at the prices of \$550 U.S./oz gold and \$14 U.S./oz silver and is open to extension at depth. The Company's management believes these reserves are more than sufficient for a profitable mining operation.

Work on the Richfield Mine Property has been confined to a small portion of the favorable mineral host formation. This formation is projected to extend for the five mile length of Cobre's property and only 2,150 feet of this trend has been explored to date.

1981 Program

The Company plans to carry out mine development during 1981 by extending the shaft more than 600 feet and drifting in the known reserves on several levels below the present workings. Simultaneously, the Company intends to carry out 30,000 feet of drilling along the mineralized trend.

Property Highlights

The Richfield Mine is exceptionally well located, being only seven miles north of Topley on the Yellowhead Highway and the Canadian National Railroad and only

two miles off the blacktop highway from Topley to The Granisle Mine. Electrical power lines run through the corner of the property only one and a half miles from the shaft.

Cobre bought the Richfield Mine Property, consisting of 44 claim units, and subsequently located an additional 57 claim units. During 1980, the Company completed 19,700 feet of drilling in 28 holes.

The gold and silver of economic grade found to date occurs in layers of bedded massive sulfides within altered pyroclastic rocks. The Main Zone consists of two high-grade layers separated by lower grade mineralization giving a mining height ranging from 6 to 23 feet. The Main Zone has been followed down-dip for 1,150 feet. A lower zone was found in the deeper drill holes which, in three of the four deepest holes, averaged 0.129 oz/ton gold and 3.18 oz/ton silver over a mining height of 6.8 feet. Both the Main and Lower Zones are open to extension down-dip.

Cobre's other Properties

BX (Jim Dandy) Uranium Mine Park County, Colorado

The BX Property, which is leased to Martin-Trost Associates of Golden, Colorado, has undergone extensive development during the past two years. The work includes driving an 870-foot decline, 1,745 feet of drifting and cross-cutting on two levels, 260 feet of raising, and the drilling of 20 holes.

Review of the work by H.W. Ranspot, Cobre's consulting geologist, indicates the presence of proven and probable reserves containing 1.1 million pounds of U₃O₈. The reserves represent a gross value of U.S. \$30 million at present prices for uranium.

The lease calls for a royalty payment of 7.5% of net returns from production of uranium and includes a minimum payment of \$50,000 U.S. per year.

West Ashland Field Coal County, Oklahoma

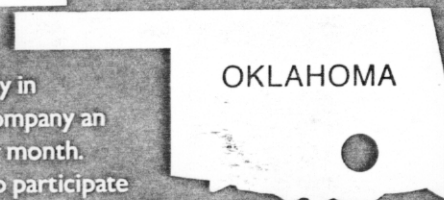
Cobre has a 3.125% working interest in 5,800 acres in the West Ashland Gas Field. Seven gas wells in which the Company has net revenue interests ranging from



COLORADO

0.11 to 2.68% are currently in production, netting the Company an average of \$4,400 U.S. per month.

The Company intends to participate in any further drilling recommended by the Operators and will continue to review participation in other oil and gas ventures.



OKLAHOMA

Management

President and Director

Michael J. Fitzgerald — a geological engineer with 25 years experience in exploration for precious and base metals and uranium in Western Canada and the United States.

Secretary and Director

Tim Brock — president and chief executive officer of several public companies active in oil and gas exploration in Canada and the United States.

Director

Francis B. Whiting — a consulting geological engineer with 32 years experience in exploration for precious and base metals in Canada, South America and the United States.

Director

David S. Peachey — a chartered accountant and officer of several public companies active in oil and gas exploration in the United States and Canada.

Corporate Data

Head Office

1289 Emery Place
North Vancouver, B.C.
V7J 1R2

Legal Counsel

Barbeau, McKercher,
Collingwood and Hanna
Vancouver, B.C.

Auditors

MacKay, Peachey & Co.
Vancouver, B.C.

Bank

Bank of British Columbia
North Vancouver, B.C.

Fiscal Agent

Canarim Investment Corporation
Vancouver, B.C.

Capitalization

Shares Authorized: 10,000,000
Shares Issued: 4,615,645 at December 31, 1980

Stock Exchange Listing

Vancouver Stock Exchange
Symbol CXS

Company Contact

Tim Brock 604/687-1444

Working Capital

As at December 31, 1980: \$813,009