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RHP

**QPX**  
MINERALS INC.

September 15, 1988

Trading Symbol: QPX

NEWS RELEASE

- New Zone Identified at QR
- Feasibility Study Planned

Fourth Zone Identified at QR Gold Deposit:

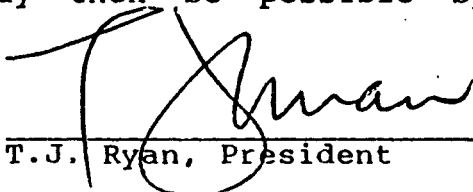
A \$1,100,000 program, most of which was for drilling to find reserves in addition to the present 1,000,000 tons at 0.2 ounces per ton gold, was successfully completed in August. The new "East" Zone is similar and adjacent to the Main Zone but at greater depth. Grade and tonnage will be determined in the next phase of work.

Feasibility Study to be Completed by  
February 28, 1989:

Having completed preliminary environmental and metallurgical studies, a \$1,000,000 program ending in a feasibility study, is scheduled for completion during February, 1989 and will include:

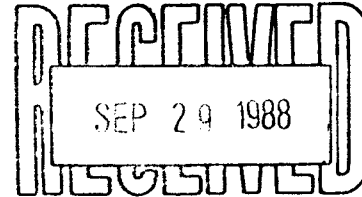
- Detailed drilling of part of the Main Zone and the West Zone to upgrade reserves to a mineable category.
- Development of East Zone reserves.
- Calculation of total mineable reserves.
- Drilling a limited number of geotechnical holes.
- Development of a process flow sheet and mining plan.

A production decision may then be possible by second quarter 1989.

  
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T.J. Ryan, President

The Vancouver Stock Exchange has neither approved nor disapproved this report which has been prepared by the Company's officers, who accept responsibility for its content. Further information may be obtained from either of the above at 669-2251.

QPX MINERALS INC.



LISTED - VSE QPX  
RECENT PRICE - 1.15

The Company was formed in January, 1987 by Placer Dome Inc., one of the world's largest gold mining companies, and Mine Quest Exploration Associates Ltd., a private exploration consulting company. QPX recently completed a successful national public offering in Canada which raised the planned amount of \$6,187,500. The Company is currently active in the exploration and development of mineral properties in British Columbia, Ontario and Quebec. In addition to nine prime exploration properties at various stages of development, QPX and Placer Dome each own a 50% interest in the QR deposit in southern British Columbia.

The QR gold deposit has present drill indicated reserves of approximately 1,000,000 tons containing an estimated 200,000 ounces of gold. The deposit, at this juncture, is comprised of three ore bodies, all of which are in close proximity to each of the others. Production plans call for different mining methods for each deposit. The Main Zone will be mined by low cost open pit methods for the first four years of mine life. Development of the West Zone as a room and pillar mine, also a relatively low cost operation, would commence in time to provide mill feed to supplant declining production from the Main Zone pit. A mechanized cut and fill operation is planned for the Midwest Zone. Mining the two underground zones would take about three years, for a total mine life of seven years based on present reserves. Mill capacity on this basis would be in the order 400 tons per day, however it is expected that 450 to 500 tons per day could well be realized.

The potential for expanding ore reserves and hence the mine life are considered excellent. Recent drilling, immediately east of the Main Zone, is believed to indicate the presence of a new deposit, labelled the East Zone. The zone would appear to be amenable to underground mining. A substantial drilling program is being carried out on additional favourable targets on the property. Management stated in the June 1988 progress summary that the objective for the 1988 field program on the QR is to double drill indicated reserves currently totalling 200,000 ounces of gold. Some 12 kilometres northwest of the QR deposits, the Maud claims are located. Work on the Maud property is at an early stage. Surface studies and limited diamond drilling indicate that the geological setting of the Maud property appears to be broadly similar to that at QR.

Production at the QR property is scheduled to begin in the last quarter of 1989 at a capital cost of approximately \$15,000,000. Based on a production rate of 400 tons per day feasibility studies indicate an annual output of approximately 25,000 ounces of gold over the first four years of operation. An average cash production cost of U.S.\$165 per ounce for gold is assumed for this period. Based on the current gold price and present exchange rates, the average annual cash flow, before financing and taxes, is estimated at approximately \$8,000,000. Total payback is expected in about 2 years.

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Site preparation and various environmental and regulatory studies are being carried out. Financing for the project is expected to be finalized soon, possibly involving some form of bullion loan.

Based on the projected annual \$8,000,000 cash flow from the QR project, QPX Mineral's share would amount to \$4,000,000. However under the terms of the arrangement with Placer Dome the first year's earnings would accrue to Placer Dome. Based on the projected production level expected to exceed the stated 400 tons per day a positive cash flow of approximately \$1,000,000 in year one is envisaged. In year two after allowing for depreciation, depletion, etc... net profits should be in the area of \$3,000,000 equal to approximately 40 cents per share. Applying an earnings multiple of eight times the shares should trade at significantly higher levels. This assessment must be tempered when considering the vagaries of gold and currency fluctuations. Notwithstanding, it is apparent that QPX Minerals has in a remarkably short period of time established the prospect of a sustained earning's base.

In addition to the obvious merits of the QR project, QPX provides a unique mineral exploration company dedicated to the search for Canadian gold. The Company is committed to giving its shareholders a predetermined share of the production rewards for their investment risk by assuring a carried equity position in any of the properties taken to production. Three key strategies combine Placer Dome's expertise in ore-body development with the exploration skills of Mine Quest, utilize CEE flow-through funds to work a large number of projects each year and ensure feasibility and production financing on a pre-determined basis. Another notable feature is the pre-determined back-in production financing agreement which ensures QPX shareholders ensured real equity interest in properties without share or property interest dilution. Placer Dome, Directors and Officers and Private Investors own 62.1% of the 7,250,000 shares of QPX with the remaining 37.9% owned by public investors. The QPX Management is comprised of five key personnel each having over 25 years in the mineral exploration and/or finance industry. Included are two of Placer Dome's senior officers, A.J. Petrina (Executive Vice-President and Chief Operating Officer) and L.T. Reinertson (Senior Vice-President, Exploration).

QPX Minerals has the key ingredients essential for a successful ongoing mining company. The shares provide a notable means of participation in the gold mining industry and deserve consideration for an investment portfolio.

September, 1988

Alan N. Blair

NOTE - Due to the short period of time since the Company has been public, no chart is available.