

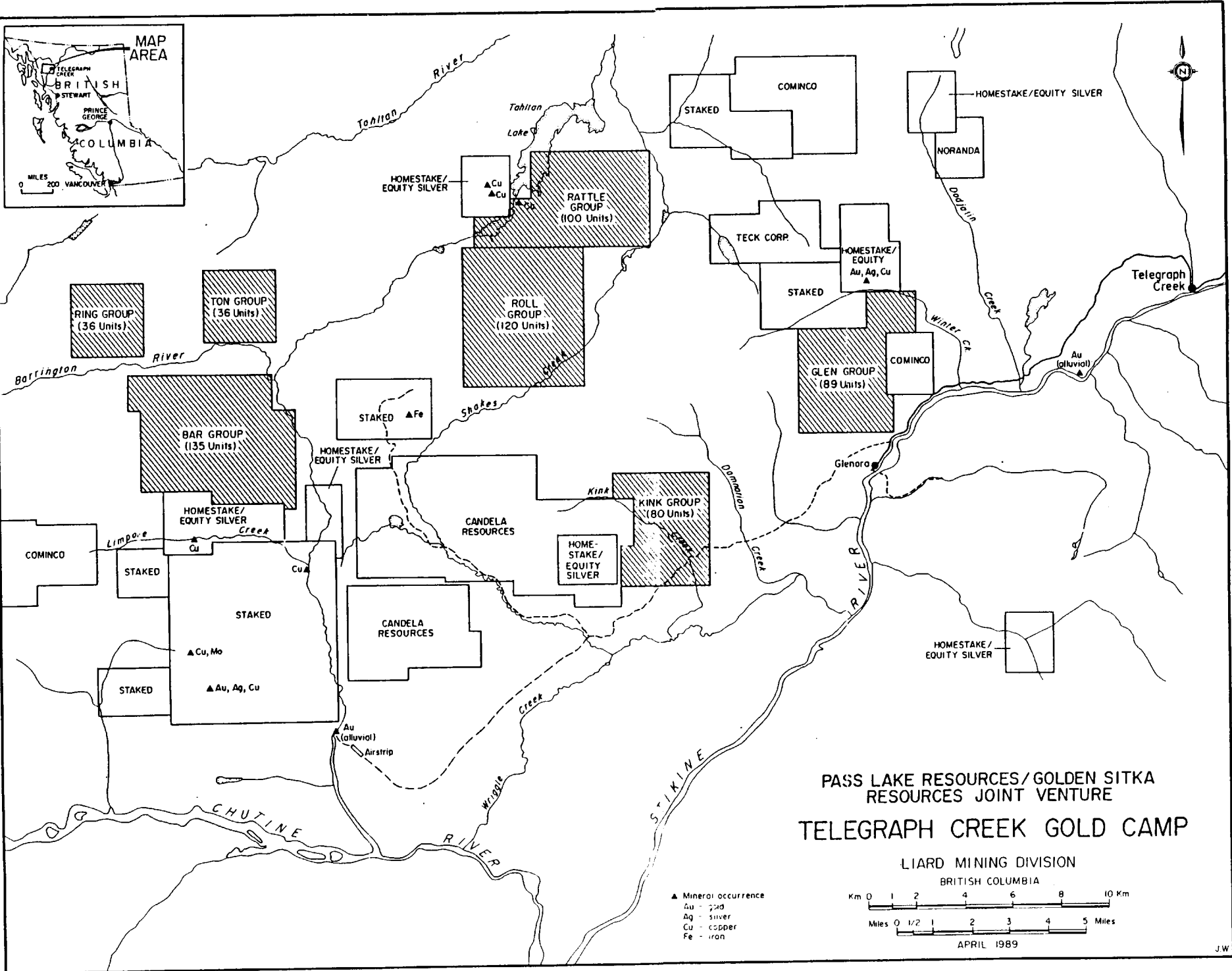
TELEGRAPH CREEK

In March, 1989, Pass Lake Resources Ltd. and Golden Sitka Resources Inc. jointly staked 596 units (149 sq. km.) in seven claim blocks in the Telegraph Creek district of northwest B.C. (see map overleaf). The area of interest lies toward the northern end of British Columbia's most exciting gold belt, which extends some 300 km from the Stewart camp in the south, through the Sulphurets, Calpine, Iskut and Galore Creek camps to the Golden Bear mine, about 45 km to the northwest of Telegraph Creek. The claims were located on the basis of a geological and geophysical model developed by Pass Lake for northwest B.C. and regional geochemical data published by the B.C. government in 1988.

Several base-metal and precious-metal occurrences are recorded in the vicinity of Telegraph Creek (see map). However, the district has been largely overlooked in recent years compared to the gold camps to the south and north, despite compelling analogies in the geological setting at Telegraph Creek with the rest of the belt. In recognition of this fact, staking activity at Telegraph Creek has increased sharply within the last year to the extent that several major companies are now counted among the growing number of firms holding ground positions in the camp (see map).

Reconnaissance programs initiated this summer by existing participants, including Pass Lake and Golden Sitka, are expected to generate targets for advanced exploration in 1990. The joint venture commenced prospecting and geochemical sampling on its seven claim blocks in early August; initial analytical data are expected in September. Planned expenditures are about \$63,000, sufficient to maintain the companies' claims in good standing until March, 1991. Encouraging results are expected and it remains the joint venture's strategy to seek third-party participation to fund subsequent major exploration programs on the claims.

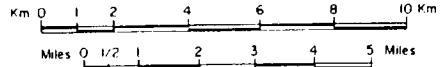
August 18, 1989



PASS LAKE RESOURCES/GOLDEN SITKA
RESOURCES JOINT VENTURE
TELEGRAPH CREEK GOLD CAMP

LIARD MINING DIVISION
BRITISH COLUMBIA

- ▲ Mineral occurrence
- Au - gold
- Ag - silver
- Cu - copper
- Fe - iron



APRIL 1989