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PRESS RELEASE

An extensive exploration program is currently underway on Sulphurets Gold Corporation's wholly-owned Kerr property. Previous exploration resulted in the important discovery of a large copper-gold deposit grading just under 1% copper and 0.01 ounces gold per ton. **Initial results from diamond drilling, prospecting and geophysics performed this year indicate that continued positive results could expand the potential size of the deposit to the 150 million ton range.** The Kerr property and the immediately adjacent Tedray property, for which Sulphurets has an option to earn 50%, are located in the Unuk River district of northwestern British Columbia.

Geophysical surveying on the Kerr and Tedray properties has now been completed. The high chargeability-low resistivity anomaly that correlates with the high-grade mineralization is now 2000 metres (6560 feet) long, of which 1200 metres (4000 feet) has been drill tested and is known to overlie the B Zone copper gold deposit. Diamond drilling of the remaining 800 metres (2600 feet) of the anomaly is expected to significantly increase the length of the B Zone deposit.

Diamond drilling has commenced and five holes have been completed on the Kerr property. The first 4 holes were drilled in a section 150 metres (500 feet) north of last year's drilling and have successfully intersected the B Zone mineralization. Hole 89-1 was lost in a fault before reaching the mineralization. Hole 89-2, at the same location, penetrated 46 metres (150 feet) into the deposit before it was also lost. The 46 metres, based on geochemical analyses, average 0.74% copper and 0.008 ounces gold per ton. Confirmation of these grades will be given when the assay results are received.

Holes 89-3 and 4, collared 110 metres (360 feet) west of hole 2, both cut through the B Zone and intersected visible copper mineralization. These holes suggest that the width of the B Zone deposit is greater than previously measured and is at least 300 metres (980 feet) wide, an increase of 100 metres (300 feet).

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The thickness of the B Zone deposit may also be greater than previously indicated. Two drill holes in 1988 bottomed in high-grade copper after penetrating only 40 metres (130 feet) into the deposit. Hole 89-5 is located in the same area and has visible copper sulphides over 150 metres (500 feet). Assay values will be released for these holes when received.

Diamond drilling is continuing and is expected to close a gap in the 1988 drilling and will continue to follow the geophysical anomaly to the north from the Kerr property onto the Tedray property.

Boulders of copper sulphide have been found west of the current area of drilling on the Kerr property and suggest the possibility of a new copper-gold zone. Exploration crews are prospecting the area to locate the source.

SULPHURETS GOLD CORPORATION

per: _____
R.S. Hewton, Vice President
and General Manager

This release has been prepared by Mr. R.S. Hewton and has been neither approved nor disapproved by the Vancouver Stock Exchange.

Exploration needed to bolster dwindling base metal reserves

time to find the new reserves needed to maintain our national production levels and world market-shares. Years of exploration are required to come up with good discoveries and it takes an average of six years to turn a discovery into a producing mine.

Discovery requirements for copper

To maintain current Canadian production, each mine approaching exhaustion must be replaced by a new operation, based on a discovery some six years earlier. Without some new discoveries very soon, Canadian copper production, for example, will begin to fall off sharply in about five years because the reserves in many current mines will be exhausted.

The large inventory of mineable copper discoveries accumulated in Canada from the late 1950s to the early 1970s is running out.

The life of Canadian base-metal mines averages about 20 years. This means that to make up for a given annual metal production shortfall, discoveries of that metal must amount to about 20 times the corresponding production.

Consequently, to maintain a level output of copper from Canadian mines beyond the early 1990s, almost one million tonnes of copper (i.e., in terms of copper contained in ore) would have to be discovered on the average each year from now to the year 2000.

This calculation takes into account i) the production required, over and above the likely copper output obtainable from deposits now known, to maintain the 1992 copper output level after that year, ii) over-all recovery of 80%, iii) 20-year mine life to justify developing a discovery, and iv) a 6-year lag between discovery and first production.

In the coming years, world copper consumption is expected to grow at a rate of 1% to 1.5% annually. To maintain its share of a growing world copper market, Canadian production will have to grow commensurately, and still more (or larger) discoveries will be needed. To keep up with 1.5% market growth, we would have to discover, from 1988 to the end of the century and beyond, about 1.3 million tonnes per year, on average, of mineable copper.

Is such a rate of discovery attainable? The historical record shows that it is only in the period 1956-1975 that the rate of discovery exceeded an average of 1.3 million tonnes per year of mineable copper.

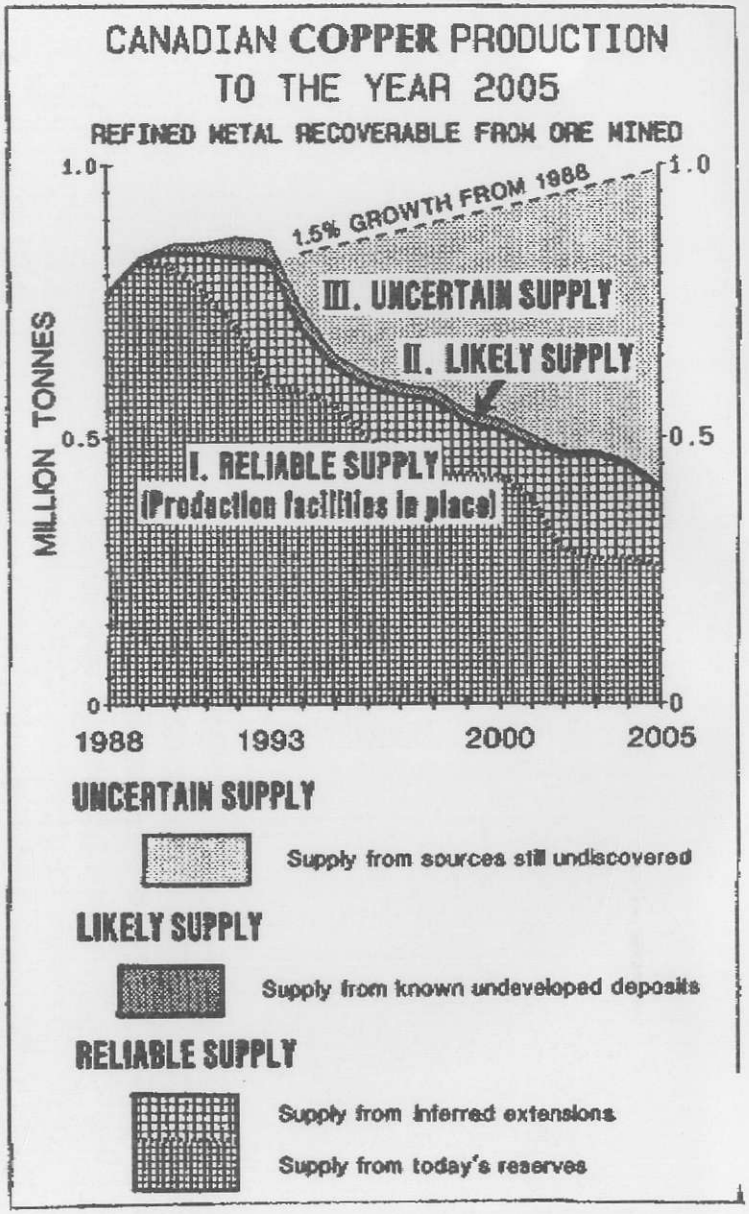
The two most notable 10-year discovery periods 1956-65 and 1966-75, encompass the discovery in British Columbia of at least 35, mostly large, porphyry-type copper deposits (a deposit type that was not recognized in Canada until the mid-50s), as well as lesser but still significant quantities of copper in many sulphide deposits associated with volcanic rocks, most notably the Kidd Creek mine near Timmins, Ont.

During the exceptional 20-year period 1956-1975, discovery of mineable copper in Canada averaged 1.3 million tonnes per year, but in the 12 years since 1975, the average was less than 0.2 million tonnes per year, a level that has shown no sign of rising in recent years with the overwhelming emphasis on gold exploration. On the contrary, only 18% of the copper discovered during 1976-1985 was discovered in the second half of that period.

In view of this historical record, it is clear that a major upswing in exploration effort for copper will be required to equal the unusual success rate of the 1956-1975 period, a rate that would have to be reached again to maintain world market share in copper. Failure to do so will lead to a decline in national copper output — and its contribution to our trade balance — after 1993.

To make this challenge even more daunting, a significant quantity of that copper must be found in central and eastern Canada to provide feed for Canada's copper smelters — all located east of the Saskatchewan-Manitoba boundary — to avert their being forced to close or, for those sufficiently close to tidewater, becoming increasingly dependent on imported copper concentrates.

Donald Cranstone and Andre Lemieux are with the Resource Evaluation division Mineral Policy Sector of Energy, Mines and Resources Canada in Ottawa.



SOURCE : The Northern Miner, October 3, 1988

Exploration needed to bolster dwindling base metal reserves

Canada's position as a metals producer can't be maintained without finding more deposits

By Donald Cranstone and Andre Lemieux

In the search for new mineral deposits, the preoccupation with gold in recent years has led to neglect of the base metals. For copper, zinc and lead, the period of grace has run out; reserves have declined to the point where new discoveries are now urgently needed.

The inventory of on-the-shelf deposits resulting from earlier exploration has declined as well. Timely and significant new production from such deposits would require base-metal prices to rise further immediately and to stay high, an unlikely scenario.

Given the current preoccupation with the gold success story, it is easy to overlook that the major base metals produced in Canada in 1987 were together still worth about 2.3 times the value of gold produced (gold $2.2 billion, copper $1.8 billion, zinc $1.7 billion, nickel $1.3 billion, and lead $0.4 billion).

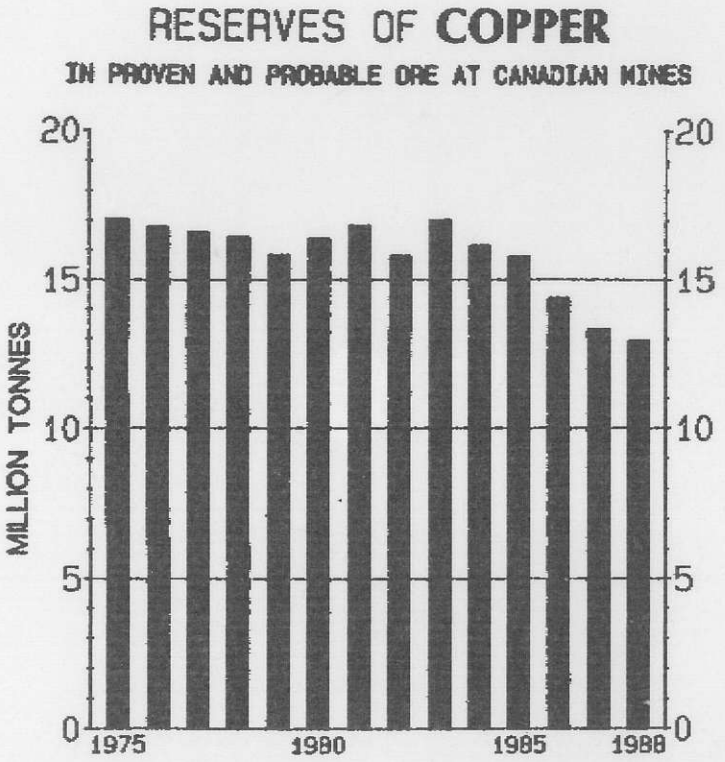
The bright outlook for gold also tends to obscure the deteriorating outlook, on a national basis, for production of copper, zinc and lead, based on today's reserves. From 1981 to 1988, reserves of all the base metals declined significantly: copper by 23%, nickel by 20%, zinc by 30% and lead by 34%.

These reserves are dropped because of the closure of uneconomic mines, downward reassessment of former reserves in light of expectations of lower prices than were initially assumed, and delay in delineating additional reserves to replace mined-out ore in some producing mines.

In spite of this, for zinc and lead, Canada's 1987 production levels were the highest ever, copper output was the highest since 1974, and nickel output the highest since 1977, a remarkable achievement possible only through major improvements in domestic mining efficiency and productivity.

In contrast, reserves of gold contained in ores in Canada quadrupled over the period 1979-1988. This upward trend in gold reserves is likely to continue as recently discovered gold deposits are developed for mining and their gold content is added to reserves. The dramatic rise in gold reserves since 1979 resulted from a revival of exploration after a decline in reserves through the 1950s and 1960s.

A progressive decline in the collective annual output of copper, lead and zinc from Canadian mines will begin before 1995 unless substantial new discoveries are made very soon.



For nickel, the known resources inventory is adequate to support the current production rate further into the future, so that the urgency to find new deposits is much less.

Our projections took into account the following:

1) mine-by-mine proven and probable ore reserves reported by companies

2) company plans, or our own best estimates, of mine-by-mine annual production rates

3) our estimates of inferred extensions to established ore in current mines, based, in most cases, on first-hand knowledge obtained from mine visits.

4) our assessment of the amount and timing of metal likely to be produced from an optimistic mix of mineral deposits that we consider likely to be developed into new mines in the foreseeable future.

Base-metal exploration expenditures have steadily declined since 1981. In 1986, a mere $85 million was spent in the search for base metals, only 14% of total mineral exploration expenditures in that year. This amounts to a decline to half of the annual average in the 1975-1981 period, which was some $170 million per year (1986 dollars), about 40% of total exploration expenditures at that time. The final 1987 breakdown will probably not show any signs of revival in base-metal exploration. Not surprisingly, the discovery record in base metals in the 1980s has been usually meager.

It is inevitable for production based solely on today's established ore reserves to go down over time. New discoveries always have to come to the rescue eventually. However, the recent large decline in base-metal reserves allows less

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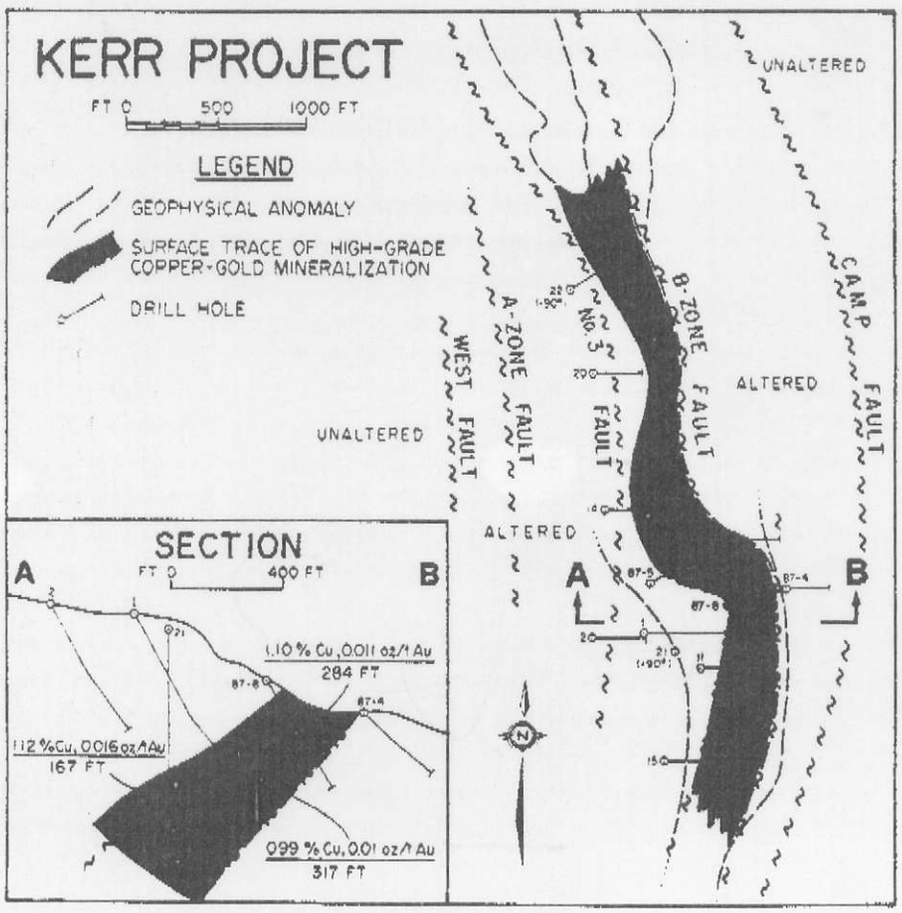
APPENDIX 2

B ZONE INTERSECTIONS

DRILL HOLE	FROM (ft.)	TO (ft.)	LENGTH (ft.)	COPPER %	GOLD oz./ton	COPPER EQUIVALENT* %
K87-5	469.2	734.9	265.7	0.61	0.009	0.78
K87-8	93.2	377.6	284.4	1.10	0.011	1.31
K88-1	578.1	895.0	316.9	0.94	0.010	1.13
K88-11	167.3	568.6	401.3	1.25	0.011	1.46
K88-14	108.3	598.4	490.1	0.54	0.006	0.66
K88-15	296.9	656.2	359.3	0.62	0.008	0.77
*K88-16	216.5	348.1	131.6	0.96	0.013	1.20
*K88-17	135.5	187.0	51.5	0.69	0.009	0.86
K88-18	68.9	538.1	469.2	0.93	0.012	1.19
*K88-20	249.3	337.9	88.6	0.70	0.009	0.87
*K88-21	531.8	699.1	167.3	1.17	0.016	1.48
*K88-22	226.7	449.1	222.4	0.74	0.011	0.95

Drill holes 16, 17, 21 and 22 all ended in mineralization. Holes 16 and 21 had just entered higher grade mineralization and holes 17 and 22 bottomed just before reaching projected higher grade mineralization.

*Based on a gold price of U.S. $384/oz. and a copper price of U.S. $1.00/pound.



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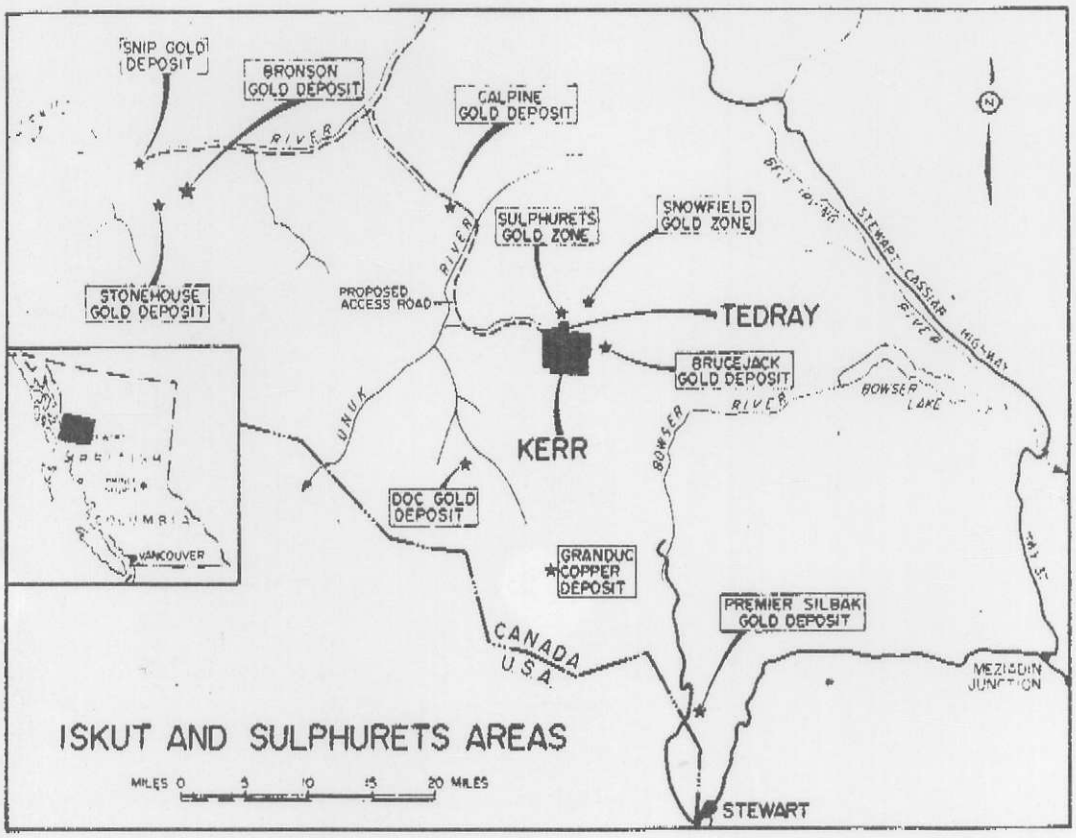
APPENDIX 1



VISITS TO THE KERR COPPER PROPERTY

The Kerr ore body is located on high ground to the south of Sulphurite Creek approximately 35 miles northwest of Stewart, British Columbia, a community of 2,300 persons situated at the head of Portland Canal in northwest British Columbia. At the present time there is no road access to the Kerr property and visits to the property can be arranged by helicopter.

Stewart, British Columbia is serviced by commercial air flights from Terrace, which is the principal city in northwestern B.C. (population 25,000), and Smithers, B.C., each of which has daily flights from Vancouver and Edmonton. Helicopters will be arranged directly from Stewart which is approximately 35 miles from the Kerr property, or from Tide, the former location of the Granduc copper mine, which can be accessed by road from Stewart and is approximately 10 miles from the Kerr property.

Stewart is also accessible from Terrace and Smithers by Highway #37, a good quality paved road, and is approximately a 3-1/2 hour drive. Excellent accommodation can be arranged in Stewart, Terrace and Smithers.

Wood Gundy would be pleased to provide additional information on accommodation and travel arrangements for visiting the Kerr Property.

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For additional information or booking of appointments, please call me at (416) 869-8244, Geoff Beattie at (416) 869-6806, or Haly Peper at (416) 865-2485.

Yours very truly,

WOOD GUNDY INC.

Donald R. Lindsay
Vice President