

TGS - Blue Star

881177



*Uncut Rough Sapphires
From Property*

HIGHLIGHTS

Canada

- ❖ Teck Corporation commits to second year option on historic Kenville Mine Property, previously ranked as 26th largest gold producer in British Columbia.
- ❖ Currently developing Canada's first sapphire mine. Over 100 star sapphires cut and finished, 99% yielding a star and majority exceeding one carat.

Ecuador

- ❖ Acquires 268 hectares in Catamayo River valley, source of Inca gold.

Anglo Swiss Industries along with partner Teck Corporation, one of the leading world mining companies, is developing the Kenville Mine Property in southeastern British Columbia, Canada. The property, located 8 miles west of Nelson, is just 40 miles north of Cominco's smelter (34% owned by Teck) in Trail.

Gold-quartz vein systems had been the primary mining and exploration target and accounted for all previous gold production. Mineralogy of the veins varied from pyritic to polymetallic with significant values in gold, silver, lead, copper, and tungsten. Native gold was found in most of the veins, commonly in the oxidized portions. Although the property had not been in production for years, figures released in 1990 ranked the property as the *26th largest producer in British Columbia history*.

The mine site remains well equipped, and consists of a coarse one bin, jaw crusher, cone crusher and fine ore bin, with a crushing capacity of 300 tons/day. In addition, there is also a shop and core storage, an engineering office, an office and assay lab, dry facilities with washer and dryer, showers and safety area for underground and surface employees, compressor facilities and a Mine Managers residence.

The underground workings at the Kenville Mine Property are extensive. The 257 foot and the 217 foot levels were rehabilitated in 1986 with trackage and air supply piping currently in place.

Following a Joint Venture Agreement signed in February 1995, Teck Corporation has the right to earn a 70% interest in the property by spending \$800,000 over four years, and will be the operator during the exploration and development phases.

1995 Teck Exploration Program

Teck conducted a 5 hole, drill program on the Kenville property during 1995 in order to confirm a disseminated copper/gold

target that had been established during extensive diamond drilling on the property in the 1940s. The drill program totalled 1,142 metres, along approximately 475 metres of strike length.

Economic grades and favourable geology were found in all five drill holes, with one hole containing three separate mineralized zones of economic interest. However, because drilling was along or close to foliation planes, Teck was prevented from determining the true width of the mineralized shear zones. Although vein systems were not the primary exploration target, a new gold vein system with a westerly dip was discovered in TK-4 and TK-5, with vein widths up to 2.6 metres and grades up to 82.15 g/t gold over 25 cm. Visible gold was observed in several intersections.

During the period September 29 and 30, Lloyd Geophysics Inc. was contracted by Teck to carry out a 3 km pole-dipole IP survey over the western portion of the property. Two IP chargeability anomaly areas were encountered including a northwest trending chargeability anomaly, which measured approximately 1000 metres by 250 metres.

1996 Teck Exploration Program

Based on the success of the first year's results, on February 19, 1996, Teck committed to the second year option to conduct further exploration on the Kenville property. We anticipate the property will meet Teck's stated mandate "to locate economic projects which will maintain gold as a significant component of the company's product mix".

Teck is planning a program consisting of ground radiometrics, I.P., mag, VLF-EM and conventional soil sampling. Areas of high chargeability encountered by the 1995 I.P. survey are slated for diamond drilling during the 1996 field system.

Property History

The West Kootenay area of British Columbia has been giving up its gold to early prospectors since the 1850s. Most prospectors moved on after the initial placer gold was exhausted.

The hearty souls that remained behind were rewarded for their persistence. In 1880 the Kenville Mine, formerly known as the Granite-Poorman Mine was discovered. British Columbia Government records report early production from the mine totalled 199,232 short tons averaging 0.32 oz/ton gold and 0.14 oz/ton silver.

The property experienced several periods of activity over the years. In 1946, the Quebec Gold Mining Corporation together with Noranda gained control of the property, built a 125 ton per day cyanide mill and started the last episode of significant mining. With gold fixed at only U.S. \$35 during this period, the company eventually stopped operations in 1949, although small amounts of high grade ore were shipped directly to the Trail smelter in 1960 and 1961.

Noranda shut the mine down and removed the usable equipment in 1962.

Gold prices remained low during the 1960s, until the United States came off the gold standard in 1971. Thereafter, numerous international financial crises, "tinkering" with world currencies, uncertainty of political events in South Africa, inflation, and uncertainty concerning future world events fuelled speculation and gold eventually jumped to U.S. \$850 in 1980.

The surge in gold prompted DeKalb Mining Corp. to carry out a 20 hole program of 2,932 metres of diamond drilling on the property in 1980. Gold slumped to approximately \$325 in 1985 and activities ceased in 1986.

In 1989, Coral Industries Ltd. acquired control of the property and spent approximately \$750,000 in care and maintenance including rebuilding parts of a new mill, prior to acquisition of the property by Anglo Swiss in 1992.



PROVEN SAPPHIRE DEPOSIT

The company is currently developing the first sapphire mine in Canada, in the Slocan Valley of British Columbia. In excess of 50,000 carats of rough sapphires have been extracted from a select high grade showing of an 770 foot outcropping on the company's wholly owned Blu Starr claim. This claim is part of 188 mineral claims covering 11,000 acres. The gemstones are from an insitu corundum deposit in the Valhalla Metamorphic Complex.

Whether a corundum is called a sapphire or a ruby is dictated by the color generated by the trace elements within the stone. To produce clean, saleable gems, almost all sapphires and rubies are heated to enhance their color and clarity. Sapphires and their sister gems, rubies, account for more than half the world's trade in colored stones. Among the world's most versatile crystals, they are second only to diamonds in hardness, and have become indispensable to industry.

Over 100 star sapphires have been cut and finished, with 99% yielding a star and the majority exceeding one carat. Heat treating tests on a bulk sample are expected to begin shortly.

Because sapphires can be extracted with minor initial capital investment, the company anticipates this asset will add substantial growth to the share value of Anglo Swiss.

The B.C. Ministry of Mines has identified the Blu Starr deposit as a corundum (geological term for sapphire/ruby) occurrence with rough star sapphires up to 250 carats in size.



Natural Sapphires



Heat Treated Sapphires



Finished Sapphire Gemstones



★ Site of both properties

ECUADOR

During 1995 the company acquired two gold concessions in Southern Ecuador. The property, located in the Loja Mining District, consists of approximately 268 hectares and extends for 9.3 miles along the Catamayo River.

The area is readily accessible by a one hour flight from the capital city of Quito and a ninety minute paved drive to Catacocha. The concessions are a short one hour 4 x 4 trip from Catacocha.

Geologically, this area lies within the northern portion of the Andean Cordillera. The property is not far from the main Inca road which ran from Quito south along the valleys of the Andes to Cuzco, Peru. Although the southwestern area of Ecuador was mined by the ancient Inca civilization, ultimately providing great wealth to Spain during the 1500s, it has been virtually unexplored by modern standards until recent revisions of the mining law.

The concessions are approximately 2,870 feet above sea level, where the Catamayo River flows west from the Andes. The shallow river basin, with an average width of 360 feet, is nestled between steep hillsides. The river depths vary between 1 1/2 and 3 feet with the width varying between 35 and 55 feet depending on high or low water.

A crew began operating two suction dredges in an excavation pit last August, recovering fine gold the first day. A neighbouring concession, 22 miles downstream, has recovered 50 to 55 ounces per day using a trommel and centrifuge wash system. Exploration work to ascertain the potential gold value of this alluvial deposit was suspended in February, due to unseasonal high water levels, before bedrock was encountered. Historical data, supported by neighbouring operations, indicates this property should contain significant gold values. The company expects a positive cash flow shortly after the crews are back on the property in August 1996.



CORPORATE PROFILE

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Trading Symbol - ASWC

NASD Bulletin Board

Canadian Dealing Network
(Toronto)

Officers & Directors

Len Danard, President & CEO

Dr. David Hughes

Chris Robbins

Jim Semeniuk

Leroy Wolbaum

Share Capitalization (November 30,
1995)

Authorized 100,000,000

Issued 33,070,448

Options/Warrants 195,000

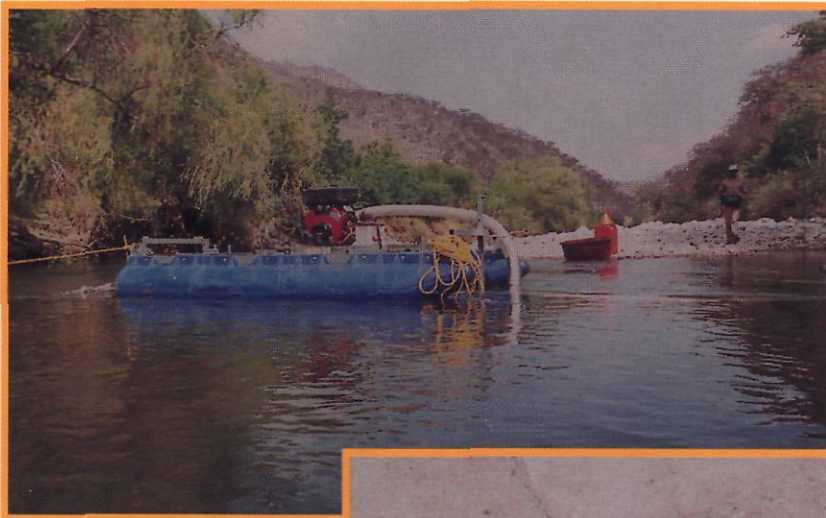
Investor Relations

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*Exploration dredge on
Catamayo River*



PROVINCE OF BRITISH COLUMBIA

FAXED

Ministry of Employment & Investment
Geological Survey Branch
#301-865 Hornby Street
Vancouver, B.C. V6X 2G3

Fax Cover Sheet

DATE: Apr. 18/96 TIME: 2:20pm
TO: Paul W. / Tom
RG - MET
Cranbrook
PHONE: _____ FAX: _____

FROM: Tom Schroeter Senior Regional Geologist
PHONE: 604-660-2812
FAX: 604-775-0313

RE: Kenville / Blu Starr

CC:

Number of pages including cover sheet: 5

REMARKS:

Urgent For Your Review Reply ASAP Please Comment

Message

Paul: - FYI
① 'Hot' off the press - nice glossy brochure
② I would like to visit both these properties this summer - preferably with you (and company personnel).
Tom

PROVINCE OF BRITISH COLUMBIA

FAKED

Ministry of Employment & Investment
Geological Survey Branch
#301-865 Hornby Street
Vancouver, B.C. V6X 2G3

Fax Cover Sheet

DATE:

TIME: 2:20pm

TO:

Bob Lane
RG - MET
Prince George

PHONE:

FAX:

FROM: Tom Schroeter
Senior Regional Geologist

PHONE: 604-660-2812
FAX: 604-775-0313

RE: "Gold in BC" (1990)

CC:

Number of pages including cover sheet: 5

REMARKS:

- Urgent
- For Your Review
- Reply ASAP
- Please Comment

Message

Bob - FYI
 * = reference to Open File (our Goldfile)
 Cheers,
 T.