

Canadian-United Minerals Inc.: The Dome Mountain Property

Canadian-United Minerals Inc. was organized in 1983 through a merger of a private company and an inactive public company. One of the firm's most promising properties is located on Dome Mountain, 21 miles east of Smithers in west-central B.C. The property encompasses 68 claims over 17,668 acres. Dome Mountain hosts at least one major gold-bearing structure, and the prospects for discovering additional separate orebodies are considered excellent.

Access to the property from Smithers is accessible by a 45-minute ride on well-maintained logging roads up the east side of Dome Mountain, where the claims range between 3,500 and 5,700 feet above sea level. The infrastructure to support a mining operation is readily obtainable.

The first report of gold in the area dates back to the early 1900's, when numerous gold-bearing quartz veins were discovered. A limited amount of gold and silver production was accomplished in the early 1980's. In 1984, after Noranda Exploration Co. Ltd. consolidated all the claims on the mountain, an exploration program comprised of soil geochemistry surveys, and geological mapping and trenching, was initiated.

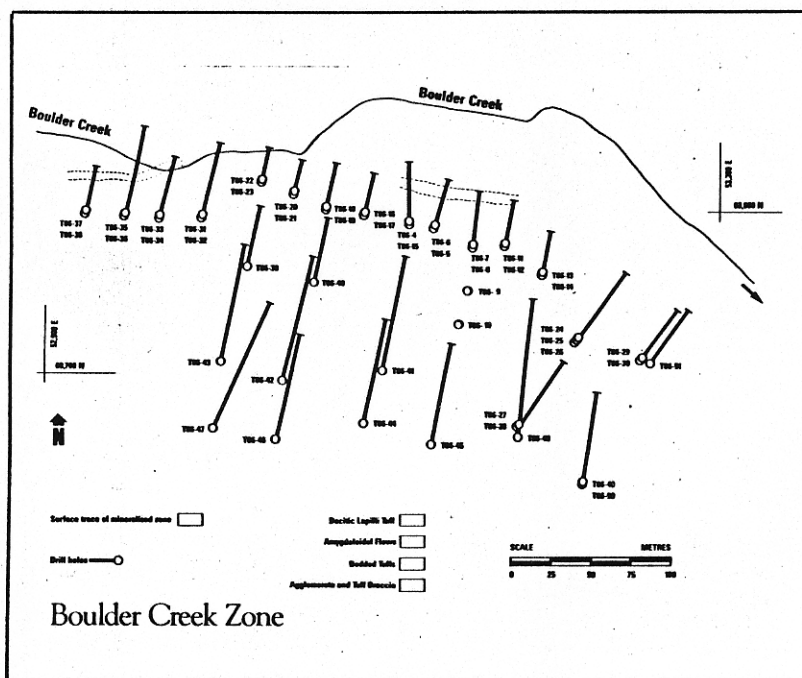
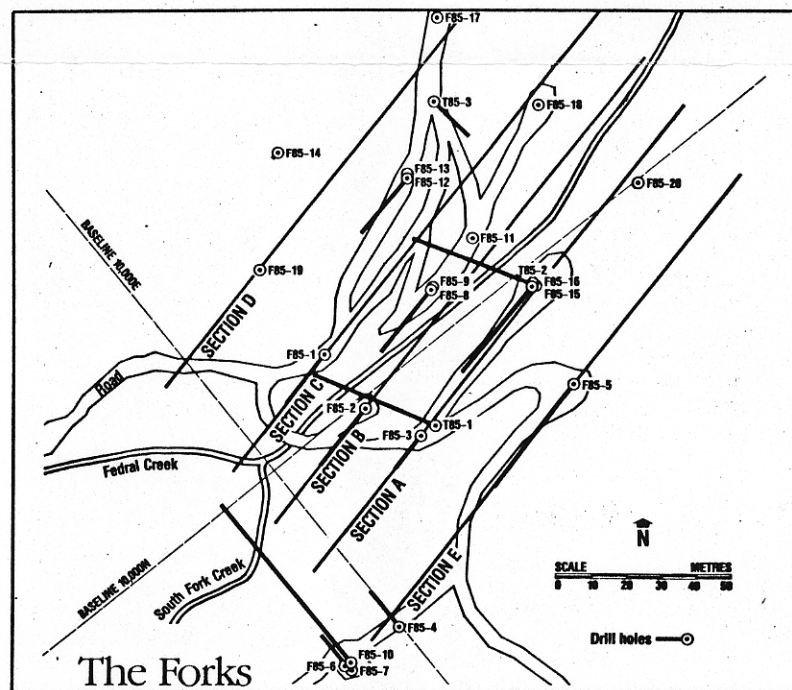
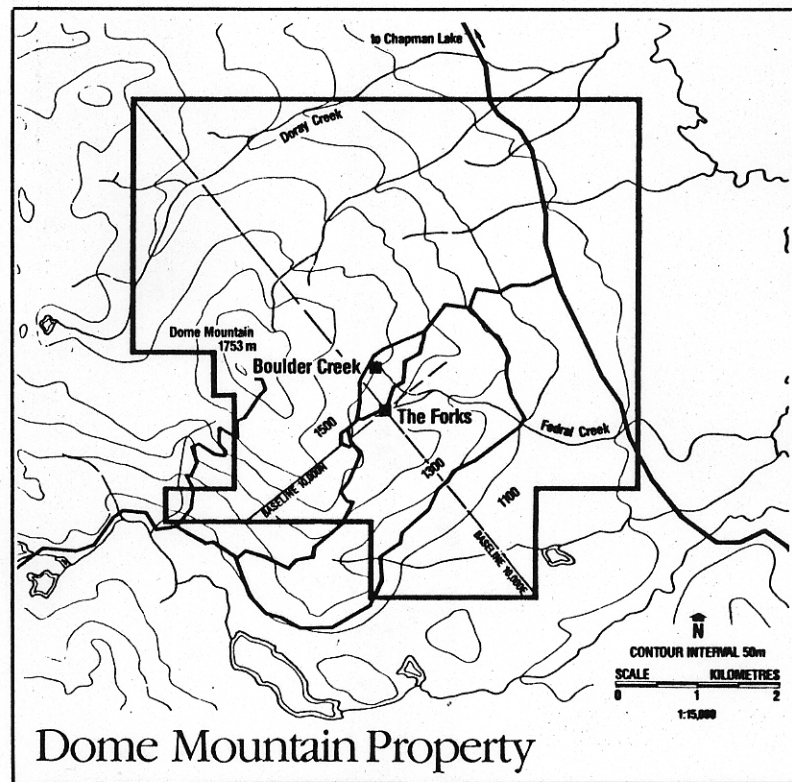
The following year, Canadian-United optioned the property from Noranda in return for reimbursement of Noranda's exploration expenses and a C\$350,000 exploratory program. This work began in June 1985, and led to the discovery of the Boulder Creek Zone, the most significant structure outlined to date on the property.

At present, there is an ore reserve of approximately 400,000 tons grading 0.5 ounces of gold per ton. A test shipment of 56 tons returned values of 0.8 ounces of gold per ton, and 22.0 ounces of silver per ton from the "9800" showing. The current mine life potential, treating 500 tons of ore per day, is estimated at between 10 and 20 years. Geologically, there are many similarities between Dome Mountain and the Bralorne Mine in the Bridge River area, which produced gold for almost 30 years.

The company has 29.5% of Total Erickson Resources Ltd.'s interest in Dome Mountain. This could represent C\$0.50 share earnings for Canadian-United within two or three years. In order to maintain an option agreement with Canadian-United, Teeshin Resources Ltd. must complete a feasibility study by the end of June.

The Boulder Creek Zone, which includes a near-surface core of higher-grade mineralization, has a strike length of 1,180 feet, and to a depth of 500 feet. The average true width of the gold-bearing zone is 8.9 feet. The deposit remains open for extension to the east and west, and at depth, indicating the strong possibility of additional reserves.

It is believed the Boulder Creek Zone extends 1,100 feet west to an old showing termed the Cabin Zone. If this correlation is proven by drilling, reserves defined to date could easily double.



The Forks showing has also been the subject of diamond drilling. So far, 100,000 tons grading 0.56 ounces of gold is indicated, with further drilling planned.

Based on a favorable recommendation, mine construction could begin by late 1988. Capital costs are estimated at C\$10 million, for a mill capable of processing 350 to 400 tons of ore per day on a year-round basis. These costs could be recouped within one year of commencement of production. Operating costs are estimated at C\$200 per ounce.

As a junior mining firm, Canadian-United has all the marks of future success. The company is in sound financial shape, and has no debts. The Dome Mountain property agreement means no further expenditures are required by Canadian-United towards its interest.

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