

Dominion
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I N T E R O F F I C E M E M O R A N D U M

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TO: See Below

Subject: Lane Weekly Report: March 23-29.

MINING and DEVELOPMENT PROJECTS

Kemess. Clearing of the powerline right-of-way continues. Construction of mine and mill buildings is ongoing.

QR. More detailed production figures from QR: the mine processed 382,472 tonnes of ore in 1996, primarily from the Main zone open pit, producing 43,626 ounces of gold equivalent (43,421 ounces of gold and 16,023 ounces of silver). As of Jan. 31, 1997 615,792 tonnes of ore has been mined from the Main zone. The Main zone will provide most of the mill feed during 1997, and reserves there will be exhausted by July. Mining of the Midwest zone is underway and will continue through to early 1999. During 1996, 65,000 tonnes of ore was mined from a small open pit on the North Lobe of the West zone. The current plan for the West zone is to proceed with open pit mining of the South Lobe (306,000 tonnes grading 4.04 gpt Au) by the middle of the year. Later in the year, underground development is planned to provide access to the lower portion of the North Lobe (146,000 tonnes grading 4.73 gpt Au), which will be extracted by longhole mining methods.

EXPLORATION MONITORING

Beekeeper. Drilling has begun at the Eastfield-Imperial Metals JV property 28 km SE of Mount Polley.

Domin. Gold City Mining has staked claims immediately north and south of the AK I - IV claims (Domin property). The property now covers a 16 km section of the northwest trending Isaac Lake fault, a structure which the company feels is related to the auriferous, quartz-filled splays that comprise the South (or Clear) and North prospects. The veins are hosted by limestones and argillites near the top of the Isaac Lake Formation and contain up to 10% combined galena, sphalerite and chalcopyrite.

Lloyd-Nordik. Five diamond drill holes have been completed so far this year on the Western zone, a possible extension to the Lloyd 2 zone. Big Valley plans to begin pre-feasibility work as well continue exploring the Lloyd 2 and other zones on the property. The company is also in the process of acquiring 2 claim groups, the Premier 1-5 and Pay 1-4, both of which adjoin Big Valleys Lloyd-Nordik property.