

AVATAR RESOURCE CORPORATION

VSE-AAV

12G Exemption #82-2166

THE GEORGIA RIVER PROJECT

The Georgia River property is located about 13 kilometers south of Stewart, B.C. on the east side of the Portland Canal. The property lies on the eastern contact of the Coast Range Batholith intruding volcanics and sediments of the Hazelton Group.

Two shear patterns have been developed on the property in a northwest direction and a possibly later extensive cross fracturing and faulting in a northerly direction. Significant gold, silver, lead, zinc with minor copper mineralization within quartz veins appear to be restricted to the zones of later faulting. Marked gold enrichment appears to be associated with areas of vein intersection.

During the period August to October 1988, Avatar Resource Corporation completed an exploration program on the property including trenching, sampling and diamond drilling.

A total of 15 holes were drilled along the southwest vein to further define the limits of mineralized zones discovered during programs in 1979-1981. This 1988 drilling totalled 8,622 feet and extended the mineralization to a depth of at least 845 feet. Assay values in the vein structures ranged up to a high of 5.202 Opt Au. A summary of holes is as follows:

Hole	Intersection	Width Feet	Au (opt)	Ag (opt)
88-01	362.5-165.1	2.6	5.202	4.99
88-02	121.3-124.3	3.0	.235	0.71
88-02	241.5-245.5	4.0	1.925	0.36
88-03	470.5-472.5	2.0	.116	0.05
88-03	539.1-540.1	1.0	.229	0.11
88-03	580 -581.2	1.2	.365	0.51
88-06	855 -858.2	3.2	.456	0.13
88-07	366.7-367.5	.8	1.049	1.72
88-07	377.4-379.9	2.5	1.588	0.96
88-08	455.3-460.7	5.4	.272	0.41
88-10	364.6-367.5	2.9	.547	0.36
88-11	452 -454.2	2.2	2.287	2.23
88-12	221.3-224.5	3.2	.158	0.31
88-12	563.5-565.1	1.6	.467	1.46
88-12	620 -621	1.0	.426	0.26
88-14	473 -475.3	2.3	.110	0.11

Based on the 1979 work and 1988 drilling, a total of 321,067 tons at a grade of .839 Opt Au and .656 Opt Ag is calculated in the drill indicated (108,462 tons), inferred (133,889 tons) and geologically inferred (78,716 tons) categories.

These reserves are over a mining width of at least 4 feet and in places extent to 10 feet. These do not include the reserves in the Bullion Vein which totals 6195.2 tons at .122 Opt Au and .30 Opt Ag.

To date a total of 22 vein systems has been discovered of which 7 have gold bearing potential. Out of the identified 7 zones, only two, the Southwest and Bullion have been explored to any great extent. The Southwest vein has been traced over 2000 feet of length while the Bullion has been identified over a shorter length.

It is recommended that a \$2,000,000 drill and underground program explore the property.

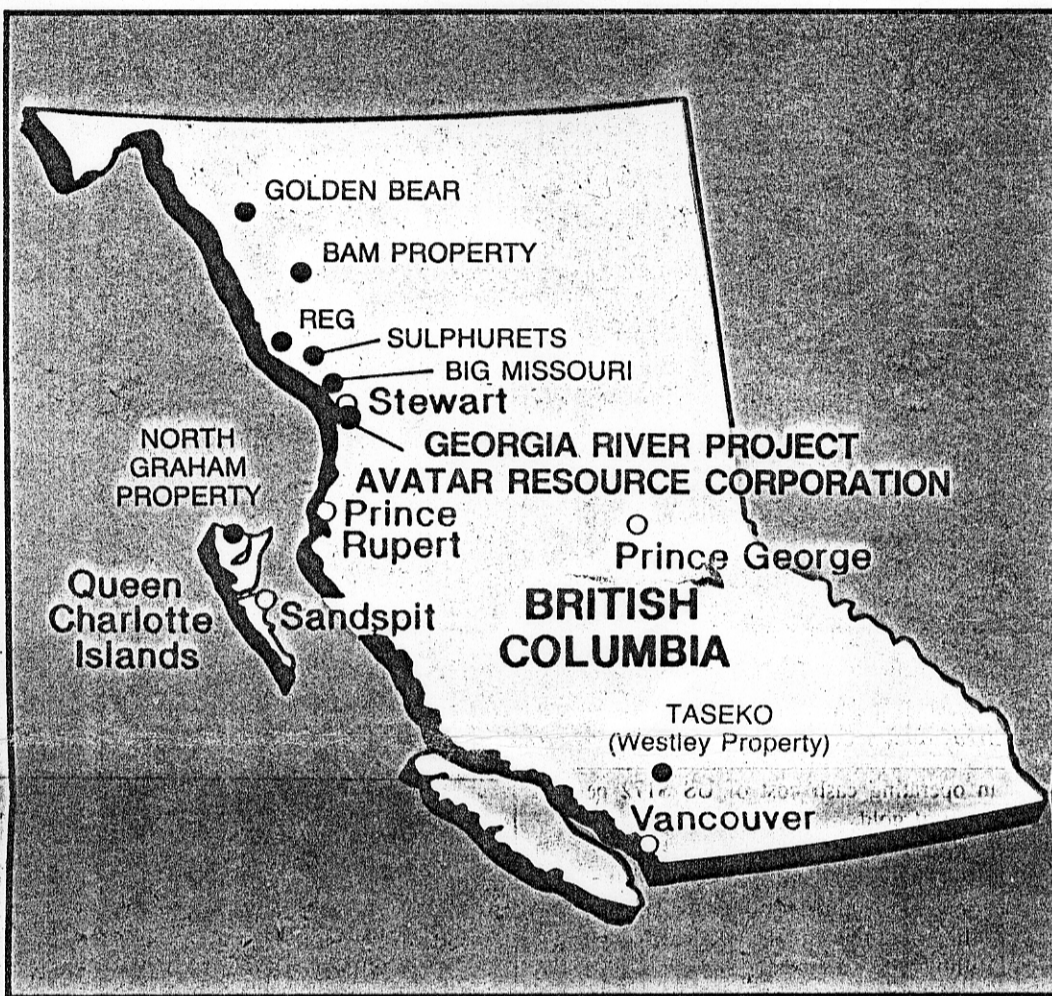
Avatar has announced the appointment of Mr. Brian Mountford P.Eng to the Board of Directors and Dr. Richard H. Sillitoe of London, England as Geological Consultant

Mr. Mountford, a professional mining engineer, whose technical background has been in the construction and operation of new mines (one of which was the Lacana's Pinson Mine, Nevada, and its Mexican operations), will be involved in the operation and development of Avatars Georgia River property.

To his credit Mr. Mountford as president of Centennial Mines Ltd. was responsible for the company's development of the Montana Tunnels Mine prior to Centennial being acquired by Pegasus Gold Inc. He also organized the acquisition and development of the Gilt Edge Mine (south dakota) currently owned by Minven.

Dr. Sillitoe is a distinguished world class geologist. His consulting services are being utilized by many of the major companies and he has completed assignments in more than 50 countries throughout the world. He has authored 54 technical papers and 3 books and has received several awards. The most recent honour was the granting of the "Thayer Lindsay Lecturer Status" by the U.S. Society of Economic Geologists; in this capacity he is touring several countries presenting lectures on gold deposits.

In addition to Dr. Sillitoe's recognized geological expertise, he is in his own words "a field geologist with a nose for ore". He has been involved in the discovery and development of several major deposits. Avatar looks forward to his involvement with the Georgia River Project and future properties the Company may acquire.



For further information contact:

AVATAR RESOURCE CORPORATION

H. BARRY HEMSWORTH - President or DAVID KOTULA

430 - 580 HORNBY STREET
VANCOUVER, B.C. V6C 3B6

Phone: (604) 687-4456

Fax: (604) 687-0586