

Gossan  
883587

## CORPORATE SUMMARY

### OFFICES

1170 - 1055 West Hastings Street  
Vancouver, B.C. V6E 2E9  
Telephone: (604) 687-2557  
Telex: 04-508664

### SOLICITORS

Parlee McLaws  
21st Floor, 300 - 5th Avenue S.W.  
Calgary, Alberta T2P 3C4

Freeman & Company  
19th Floor, 885 West Georgia Street  
Vancouver, B.C. V6C 3H4

### REGISTRAR AND TRANSFER AGENT

Guaranty Trust Company of Canada  
800 West Pender Street  
Vancouver, B.C. V6C 2V7

### REGISTERED OFFICE

19th Floor, 885 West Georgia Street  
Vancouver, B.C. V6C 3H4

### BANK

Toronto Dominion Bank  
Pacific Centre - T.D. Bank Tower  
700 West Georgia Street  
Vancouver, B.C. V7Y 1A2

### DIRECTORS AND OFFICERS

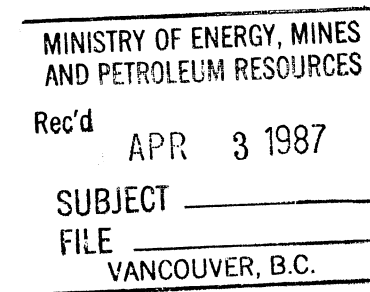
C. Alan Smith,	Chairman,	Calgary
J. Douglas Little,	President and Director,	Vancouver
Thomas N. Dirks,	Director,	Calgary
Gordon D. Ewart,	Director,	Toronto
Andrew S. Burgess,	Director,	Calgary
Winslow W. Bennett,	Director,	Vancouver
Alfred A. Burgoyne,	Vice-President & General Manager,	Vancouver
William H. Smith,	Corporate Secretary,	Calgary

### STOCK EXCHANGE LISTED

Vancouver Stock Exchange  
Trading Symbol WCD

### CAPITALIZATION

90,000,000 common shares authorized (without par value)  
10,000,000 preferred shares authorized (without par value)  
6,323,331 shares issued (February 1987)



# WESTERN CANADIAN MINING CORPORATION

## WCD-VSE

noted are three in the Brucejack Lake area which, after completion of 21,797 feet of drilling in 1986, contain reserves of 1,584,145 tons grading 0.336 oz Au/ton and 22.86 oz Ag/ton. The 1986 work, consisting of extensive drilling and underground drifting, has extended the Brucejack gold zones along strike to the south and to depth and has significantly increased reserves.

Exploration work in 1985 and 1986 on the company's Kerr gold property has defined an area 2000 m by 750 m, the Kerr Gold Zone, that is highly anomalous for gold, silver and associated base metals. Within this area several gold mineralized zones have been defined by rock chip and soil sampling and trenching. Three drill holes totalling 190 m in two zones confirmed the presence of gold and silver mineralization and showed a direct relationship between soil geochemistry and mineralization.

One zone known as the A/E, some 350 m by 200 m in dimension, contains numerous rock sample values of plus 0.3 oz/ton gold over 1 to 5 m widths. In another zone a number of trenches assayed over 0.1 oz gold per ton, the best being 12.01 metres of 0.18 oz gold per ton and 0.97 oz silver per ton. One 3 metre sample assayed over 5 oz gold per ton but was cut to 0.6 oz per ton. A drill hole under the trench assayed 0.1 oz gold and 0.49 oz silver per ton over 3.99 metres confirming the continuity of the mineralization.

There is excellent potential for a gold vein system of substantial size analogous to the adjacent Sulphurets Creek property. An exploration drilling program, costing in the order of \$600,000 is planned for 1987.

### Proforma Consolidated Balance Sheet After Proposed Amalgamation of Equine Resources Ltd. October 2, 1986 (Unaudited)

#### Assets

Current Assets	
Cash	\$ 594,740
Accounts receivable	331,059
Prepaid expenses	2,500
Assets held for resale	<u>75,000</u>
	1,003,299
Deferred charges	33,406
Property, plant and equipment	<u>5,376,247</u>
	<u>\$6,412,952</u>

#### Liabilities and Shareholders' Equity

Current Liabilities:	
Accounts payable	\$ 14,232
Due to affiliated company	85,593
Deferred income and resources taxes payable	<u>537,404</u>
	622,997
Shareholders' Equity	<u>5,775,723</u>
	<u>6,412,952</u>

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## CORPORATE PROFILE

Western Canadian Mining Corporation is a mineral resource exploration and development company which was listed on the Vancouver Stock exchange (symbol WCD) in 1987, and is the result of the amalgamation of Equine Resources Ltd. and Western Canadian Mining (WCM) Ltd. The company is an aggressive precious metals exploration and mining company and holds mineral properties and exploration assets formerly held by Cassiar Mining Corporation, Consolidated Brinco Ltd. and Equine Resources Ltd. Its major objective is to be an operating mining company by 1989. WCM owns in excess of twenty-one gold, base metal, uranium, and industrial mineral properties, at varying stages of exploration and development, that are located across Canada in Newfoundland, Quebec, Ontario, British Columbia, Yukon and Northwest Territories. A detailed information circular on the mineral properties and corporate structure of the company is available on request.

The company currently has a capitalization of 90 million shares, of which 6.3 million are issued. Cassiar Mining Corporation and Consolidated Brinco Ltd. each own 41% of the issued shares, whereas former shareholders of Equine Resources Ltd. own 18%.

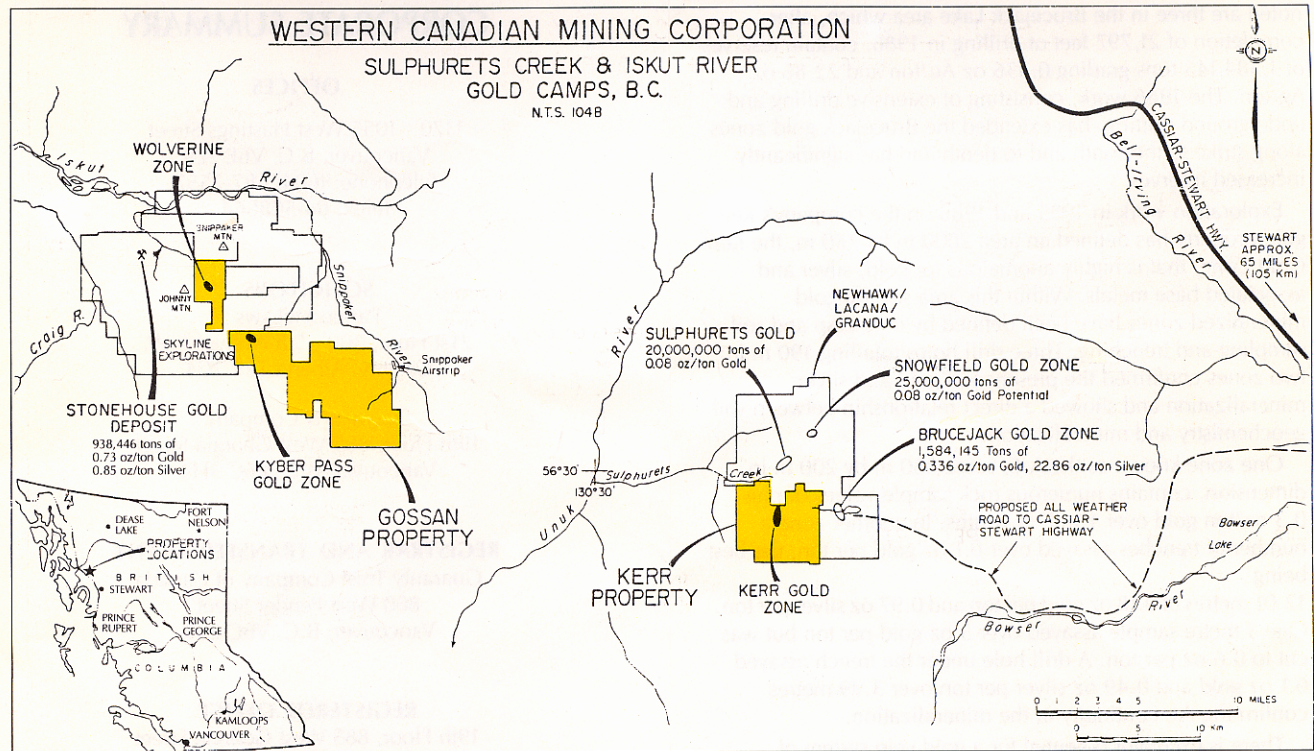
During 1987, WCM will be conducting large scale drilling and other exploration programs on its highly promising Gossan and Kerr gold properties in northwestern British Columbia, as well as exploration on other gold properties across Canada. It is expected that the exploration budget to complete the recommended exploration program on the above two gold properties will be in the order of \$1.4 million, out of a total recommended budget of \$1.7 million. Funding for these programs is currently being arranged including flow through financing of \$750,000 by NIM of Vancouver.

A description of the Gossan and Kerr gold properties, which are located in the Iskut River and Sulphurets Creek gold camps, northwest of Stewart in Northwestern B.C. is given below:

## GOSSAN GOLD PROPERTY

This precious metal property is located 50 air kilometres west of the Cassiar-Stewart Highway and 150 kilometres northwest of Stewart in Northwestern British Columbia. The property consists of 308 claim units, totalling 7700 hectares held under option, whereby WCM can earn a 60% interest by spending \$1.5 million in exploration and cash payments prior to July 1, 1990.

The target sought is gold in veins or as disseminations with or without base metals in Jurassic sediments and volcanics similar to known mineralization on the adjoining Johnny Mountain property of Skyline Explorations Ltd. Skyline is currently completing a large exploration program of under-



ground drifting and sampling. On their No. 16 vein Skyline has recently reported drifting intersections of 107 feet length by 5.3 feet width, assaying 1.9 oz. per ton gold and 69 feet length by 5.5 feet width assaying 1.5 oz. per ton gold. They have reported an estimated potential geological tonnage of 4 million tons averaging 0.50 ounces of gold per ton for an in-ground value of Canadian \$1 billion. On their Stonehouse gold deposit they have previously reported reserves of 938,446 tons grading 0.73 oz. Au/ton, 0.85 oz. Ag/ton and 0.76% Cu with significant lead and zinc.

Geochemical sampling over the Gossan property has identified numerous anomalous areas, the most interesting of which is the Khyber Pass Zone where a high magnitude gold soil anomaly 800 metres long and 200 metres wide has been defined. Coincident with the gold values are anomalies for silver, lead, zinc, copper, molybdenum and arsenic.

Exploration during 1985 and 1986 included geological mapping and extensive rock and soil sampling with limited drilling and hand trenching. Three main gold-bearing areas have been delineated by trenching and sampling. The most significant area, known as A zone, was drilled by a single drill hole of 255.9 feet length (78 m). This hole intersected four separate gold-bearing massive sulphide quartz lodes, varying from 9.8 to 18.4 feet in length and with 0.12 to 0.28 ounces per ton gold with associated silver, copper and zinc values as indicated below:

From feet	To feet	Length feet	Ag oz/t	Au oz/t	Cu %	Zn %
10.8	255.9	245.1	1.09	0.06	—	—
<i>including</i>						
36.7	55.1	18.4	6.48	0.12	1.74	2.89
127.9	145.0	17.1	2.66	0.17	0.90	—
178.8	197.1	18.3	1.77	0.15	—	—
216.5	266.3	9.8	1.54	0.28	—	—

An exploration drilling program, costing in the order of \$800,000 to outline the extent and grade of the newly found gold/silver/base metal mineralization is planned for 1987. Excellent potential exists for a high-grade gold/silver/base metal deposit similar to the adjoining Stonehouse deposit of Skyline Explorations Ltd.

## KERR GOLD PROPERTY

This precious metal property is located 60 kilometres north of Stewart and 35 km east of the Gossan property in northwestern British Columbia. Access is currently by helicopter. The property consists of 117 claim units totalling 2,925 hectares. WCM holds a 70% interest in this joint venture project and Sulphurets Gold Corporation owns the remaining 30%. The property is adjacent to the recently publicized Newhawk/Lacana/Granduc Sulphurets gold property. The Sulphurets property contains fifteen separate gold zones of which the most