

Jacobie Lake
884377

QR. First quarter production totaled 10,099 ounces of gold (vs. 7,530 in 1st ¼ of '96) at a cash cost of US\$339 per ounce (vs. US\$306/ounce for the same period in 1996). Cash operating costs were higher because of costs to repair a damaged crusher, processing of 20% more ore and increased mining costs associated with the extraction of ore from the underground Midwest zone.

EXPLORATION MONITORING

Beekeeper. Visited the Eastfield-Imperial Metals JV property, 28 km SE of Mount Polley, and examined diamond drill core from the recently completed 7-hole, 1100-metre drill program. Much of the core is K-spar altered fine to medium-grained monzonite to syeno-diorite. Subparallel quartz-pyrite veinlets cut (post-date) host rock that contains sparsely disseminated chalcopyrite. The most encouraging assays were from hole 97-B-12 (15 metres averaging 0.55 g/t Au and 0.33% Cu) and hole 97-B-15 (6 metres grading 2.12 g/t Au and 0.12% Cu) which tested the west and east extensions to mineralization identified in hole 96-B-3.

Chaco Bear. Imperial Metals plans a \$500,000 diamond drill and mapping program on its porphyry-related prospect west of Bear Lake.

Domin. Staking along the Isaac Lake fault immediately north of Bowron Lake Park, by Gold City Resources, adds to their existing claims which cover the Dominion Creek gold deposit.

Fawn. Equity Engineering has completed a 7-hole, 613-metre diamond drill program on the Giver zone on behalf of Craven Ventures, a private company that is earning an interest in the property from Western Keltic Mines. The drilling tested the Giver zone at 150 metre intervals along its east-west trend. The moderately south-dipping epithermal vein system was intersected in several holes.

Gibraltar. A 34-hole, 6400-metre diamond drill program has been completed on the Connector zone, located between the Gib East and Pollyanna pits. Pre-existing leachable reserves (mineable) for the Connector zone are 1.2 million tonnes grading 0.293% acid soluble copper. Early results are apparently very encouraging and will result in a substantial increase in leachable reserves and new sulphide (millable) reserves. The development of this zone may supersede that of the Pollyanna/GM stage IV if results warrant. In other news, Gibraltar is looking at the possibility of developing a moly leach plant using new technology.

Jacobie Lake. Navarre Resources plan to continue evaluating the porphyry Cu-Au potential of the JC1 property, immediately east of Jacobie Lake, with a modest diamond or percussion drilling program.

JD. AGC Americas Gold Corp. has submitted their NoW for this years exploration program on the JD property. A diamond drill program consisting of approximately 30 holes will test for the strike extensions to the Finn epithermal gold zone. AGC also plans to complete 10 ddh on the AL epithermal gold property and 5 ddh on the Moose property (Porphyry Pearl prospect).

Lano, Apr. '97-ARR