INFORMATION BOOKLET

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ABERMIN CORPORATION

NEWS RELEASE

LARA PROJECT - HIGH GRADE CORONATION ZONE EXTENDED

Vancouver, British Columbia, January 13, 1986 2:00 p.m. PST

Abermin Corporation announces further encouraging results on the Lara Project, located 10 miles northwest of Duncan on Vancouver Island, British Columbia. The high grade eastern portion of the Coronation Zone has been extended by some 400 feet along strike and to a depth of about 800 feet. The strike length of the Coronation Zone, explored to date, is approximately 1700 feet. The zone has a breadth of about 250 feet and an average thickness of about 20 feet. The zone is open on strike and at depth. Diamond drill hole number 85-62 located in the high grade eastern portion of the Coronation Zone intersected 14.4 feet grading 0.260 oz/ton gold, 5.62 oz/ton silver, 8.16% zinc, 0.92% copper and 0.82% lead.

The fall exploration program also explored the Coronation Extension Zone over a strike length of 260 feet and to a depth of about 500 feet. This zone, having an average thickness of about 10 feet, is open at depth. Hole 85-44 intersected 17.9 feet grading 0.190 oz/ton gold, 2.25 oz/ton silver, 5.01% zinc, 0.37% copper and 1.15 % lead.

Both zones dip at 60-65 degrees to the north. Proximity to surface and excellent infrastructure (port, power, roads and work force) would indicate the possibility of a low cost mining venture.

Abermin Corporation (ABM) is a newly formed company with listings on the Toronto, Vancouver and Montreal Stock Exchanges. Abermin has a 65% interest in the Lara Project. Laramide Resources Ltd., a private company, of Vancouver, B.C. holds the remaining 35% interest in the project.

For further information contact:

Roger P. Taylor

President and Chief Executive Officer

PRIORITY PROPERTIES

Tartan Lake, Manitoba

Located in northern Manitoba, approximately 10 miles northeast of Flin Flon, the Tartan claims are situated within the Flin Flon Greenstone Belt. This belt of rocks, which straddles the Manitoba-Saskatchewan border, is famous for its massive sulphide deposits. Recently, several significant gold discoveries have been made in the Tartan area. These discoveries have shifted attention to the gold potential of the Flin Flon Greenstone Belt.

At Tartan Lake, the Minerals Division has a 50% working interest in a joint venture operated by Granges Exploration Ltd., has discovered gold mineralization in a 200 foot wide shear zone ("Main Zone"). Several gold bearing lenses up to 30 feet thick are localized in the Main Zone. Of particular significance is a high grade shoot which measures about 300 feet along strike, 1,500 feet down dip and averages about 13 feet in true width for a drill indicated tonnage of 600,000 short tons. This steeply dipping high grade shoot has been tested by 26 diamond drill holes and has an average grade of 0.376 oz./ton gold. Lower grade mineralization, averaging between 0.1 and 0.2 oz./ton gold, occurs on strike in both directions from the high grade shoot. The Main Zone has been tested and found to be gold bearing along strike for a distance of about 2,000 feet, and is open on strike and at depth.

A second gold bearing zone, the South Zone, has been discovered and subsequently explored, although to a lesser extent. Intercepts grading as high as 0.231 oz./ton gold over 25 feet have been encountered in diamond drill holes.

Excellent potential exists for the delineation of additional high grade reserves down dip from the high grade shoot in the Main Zone. The potential for new discoveries of further high grade mineralization, both along strike in the Main Zone shear, and in subparallel shears such as the South Zone, is considered by the Mineral Division to be high.

Diamond drilling, engineering and economic studies are currently being conducted. The apparent continuity of the high grade portion of the Main Zone could lend itself to relatively inexpensive bulk underground mining methods. The proximity to the town of Flin Flon, Manitoba could provide infrastructure and a competent labour force. Preliminary metallurgical tests carried out on a composite sample of drill cores with a head grade of 0.40 oz./ton gold were excellent (93.6% recovery in a concentrate which graded 21.14 oz./ton gold).

Up to December 30, 1985 expenditures on the property totalled $1,411,000. The Minerals Division currently anticipates spending $3 million during 1986.

Robertson & Associates have commented on the character and quality of the Tartan Lake property. (See Schedule "A", "Robertson Report on the Mineral Assets").

Lara, British Columbia

The Lara Project is situated in the Sicker Group Volcanics, 15 miles northwest of Duncan on Vancouver Island. The Sicker Group Volcanics host several polymetallic massive sulphide deposits including the Buttle Lake Mine owned by Westmin Resources Ltd. and the Mount Sicker deposits under option to Falconbridge Limited. The latter deposits are adjacent to the Lara Project.

The property has been explored with geophysics, geochemistry, geological mapping and prospecting. A total of 14,900 feet of diamond drilling has been carried out in 42 shallow holes. The Minerals Division has a 65% working interest in 9,514 acres.

Diamond drilling by the Minerals Division on coincidental geochemical and geophysical anomalies resulted in the discovery of the Coronation Zone in late 1984. Since then, the Minerals Division has been carrying out a systematic exploration program on this property. During 1985, diamond drilling resulted in 28 holes penetrating this zone over a strike length of 1,300 feet to a depth of 350 feet. The drilling resulted in the delineation of a mineralized zone with a weighted average true width of 20.53 feet having a grade of 0.051 oz./ton gold, 1.12 oz./ton silver, 1.98% zinc, 0.44% copper and 0.36% lead. The eastern portion of this zone, approximately 560 feet of strike length, is of higher grade averaging 0.087 oz./ton gold, 2.04 oz./ton silver, 3.80% zinc, 0.67% copper and 0.79% lead over a weighted average true width of 19.18 feet.

The interests of the Minerals Division in mineral leases, claims and other interests at December 30, 1985, December 31, 1984 and December 31, 1983 may be summarized as follows:

	1985		1984		1983	
	Gross Acres	Net Acres	Gross Acres	Net Acres	Gross Acres	Net Acres
British Columbia	99,991	67,525	84,794	63,905	84,495	66,105
Saskatchewan	68,451	20,462	76,022	23,447	89,142	27,609
Manitoba	19,414	12,129	23,516	12,475	15,817	2,003
Yukon	1,037,340	1,007,261	1,042,465	1,011,355	1,042,052	1,006,517
Northwest Territories	452,886	373,839	301,041	163,218	308,258	141,108
Ontario	440	125	600	180	960	285
Colorado	—	—	3,750	222	—	—
Total	1,678,522	1,481,341	1,532,188	1,274,802	1,540,724	1,243,627

Summary of Reserves

The following table summarizes certain information relating to the mineral reserves attributable to the mineral properties held by the Minerals Division at December 30, 1985, as estimated by the Minerals Division.

Property (Aberford Interest)	Zone/ Deposit	Reserve Category (See Notes)	Total Ore in Place (Thousand of Tons)	Average Grade and/or Reserve
Priority Exploration Property				
Tartan Lake (50%)	Main	(2)	600	0.376 oz/ton gold
Reserve Properties				
Jason (56.91%)	South	(2)	6,844	4.74% zinc, 8.75% lead, 3.48 oz/ton silver
	Main	(2)	4,761	8.17% zinc, 1.71% lead, 0.04 oz/ton silver
	End	(3)	600	2.78% zinc, 10.30% lead, 2.34 oz/ton silver
LGT (100%)	Main	(2)	388	8,140,000 pounds of U_3O_8, grading 1.05%
	Main	(3)	142	3,520,000 pounds of U_3O_8, grading 1.24%
Bonnet Plume (100%)	Illtyd	(1)		119,020,000 long tons of coal
	Other	(2)		200,080,000 long tons of coal
	Other	(3)		330,390,000 long tons of coal
Sage Creek (40%)	North Hill	(1)		97,490,000 long tons of coal
	South Hill	(1)		52,293,000 long tons of coal

Notes:

(1) Proven reserves means that material for which tonnage is computed from dimensions revealed in outcrops or trenches or underground workings or drill holes and for which the grade is computed from the results of adequate sampling, and for which the sites for inspection, sampling and measurement are so spaced and the geological character so well defined that the size, shape and mineral content are established, and for which the computed tonnage and grade are judged to be accurate within certain limits.

(2) Probable reserves means that material for which tonnage and grade are computed partly from specific measurements, samples or production data, and partly from projection for a reasonable distance on geological evidence, and for which the sites available for inspection, measurement and sampling are too widely or otherwise inappropriately spaced to outline the material completely or to establish its grade throughout.

(3) Inferred reserves means that material for which quantitative estimates are based largely on broad knowledge of the geological character of the deposit and for which there are few, if any, samples or measurements, and for which the estimates are based on the assumed continuity or repetition for which there are reasonable geological indications, which indications may include comparison with deposits of similar type, and bodies that are completely concealed may be included if there is specific evidence of their presence.

A significant discovery was made by diamond drill hole 85-40 which tested an anomalous area approximately 1,650 feet east of the Coronation Zone. Hole 85-40 intersected a massive sulphide zone having a grade of 0.213 oz./ton gold, 8.60 oz./ton silver, 9.22% zinc, 1.16% copper and 2.53% lead over a true width of 12.07 feet, at a depth of 112 feet.

Phase II diamond drilling is currently attempting to connect the zone intersected by drill hole 85-40 to the Coronation Zone outlined by Phase I drilling.

The Lara property is considered to have excellent potential to host polymetallic massive sulphide ore bodies. Relatively low capital costs are anticipated as the Lara project is well situated with respect to infrastructure and labour force. In addition, low mining costs are expected, due to the fact that the Coronation Zone is relatively thick, is found at shallow depth, is steeply dipping and appears to have good geological continuity.

From the commencement of exploration in the fall of 1982, the Mineral Division has spent a total of $1,418,000 to December 30, 1985 on this project. The Minerals Division currently anticipates spending approximately $700,000 in 1986 on the property.

Robertson & Associates have commented on the character and quality of the Lara property. (See Schedule "A", "Robertson Report on the Mineral Assets").

RESERVE PROPERTIES

Jason, Yukon Territory

The Jason property is situated in the MacMillan Pass area of the Yukon Territory, on the eastern margin of the Selwyn Basin. The area hosts several world class lead/zinc deposits, including the Tom deposit situated immediately to the northeast, which is owned by Hudson Bay Mining and Smelting Co. Ltd ("HBMS"). Access to the property is by road from the town of Ross River or by air.

The Minerals Division has a 56.91% interest in 282 mineral claims covering 14,565 acres.

Prior to 1979, the property was explored by others, and the Main Zone and the South Zone were tested by drilling. A predecessor company of Aberford became operator of the property in 1979 and discovered the End Zone in 1980. The property has been explored extensively utilizing geological mapping, geophysical and geochemical surveys and has been tested by a total of 97,813 feet of diamond drilling in 89 drill holes.

The Minerals Division is currently participating with HBMS in a study to determine the feasibility of developing the Jason deposit together with the Tom deposit. Both deposits would use common infrastructure, milling and waste disposal facilities. Total mineable reserves attributed to the Jason and Tom deposits are 20,246,300 tons grading 6.78% zinc, 6.37% lead and 2.19 oz/ton silver. The study contemplates that 11,605,600 fully diluted tons grading 6.15% zinc, 5.86% lead and 2.07 oz./ton silver will be produced from the Jason property.

On the Jason Property, a large tonnage of lower grade reserves exists in both the South and Main Zones. Potential exists for additional high grade tonnage in the South Zone which is open in all directions at depth. The End Zone, which is located approximately 2 miles west of the Main and South Zones has potential to contribute further reserves; the discovery drill hole intersected a true width of 38.39 feet grading 3.61% zinc, 10.16% lead and 2.43 oz./ton silver.

The Minerals Division currently anticipates spending $35,000 in 1986 on the Jason property, which is the amount required to maintain the condition of and the title to the property.

Robertson & Associates have commented on the character and quality of the Jason property. (See Schedule "A", "Robertson Report on the Mineral Assets").

LGT, Northwest Territories

The LGT project is located within the District of Keewatin, approximately 495 miles east of Yellowknife and 100 miles south of Baker Lake. The Minerals Division's 100% interest is held by 169 mineral claims and one mineral lease. The latter has a term of 21 years.

Discovered in 1975 by Pan Ocean Oil Ltd., the property is situated in intrusive and volcanic rocks of Archean age. The deposit is similar to the Beaverlodge deposit in northern Saskatchewan and the mineralization is located in a sheer zone cut by gash veins in mafic metavolcanic rocks at or near the Paleo-Helikian-Age unconformity.

Geochemical and geophysical analyses have been carried out and the property has been geologically mapped. The property has also been tested by approximately 65,000 feet of diamond drilling. The diamond drilling has outlined a near vertical zone 3,600 feet long to a depth of 750 feet which contains an indicated and inferred reserve of 11.6 million pounds of U_3O_8 grading in excess of 1%. An additional 8.8 million pounds is possibly present and the deposit is open at depth and to the west. The resource is believed to occur in thin vertical shoots which would be difficult to mine without substantial dilution.

The Minerals Division has conducted a feasibility study to investigate the mining of ore followed by processing at existing plants in southern Canada.

The Minerals Division currently anticipates spending $2,000 on this project in 1986, which is the amount required to maintain the condition of and the title to the property.

Robertson & Associates have commented on the character and quality of the LGT property. (See Schedule "A", "Robertson Report on the Mineral Assets").

Bonnet Plume, Yukon Territory

Bounded by the Richardson and Wernecke mountain ranges, the Bonnet Plume property is situated in the northeastern Yukon Territory, approximately 80 miles north of Mayo. The property is intersected by the Wind and Bonnet Plume rivers.

The Minerals Division has a 100% interest in 21 coal exploration licences and an 80% interest in 3 licences and is operator of the project.

The property was discovered in 1977 by a predecessor company following a reconnaissance survey. From 1978 to 1981 a diamond drilling program was carried out which resulted in the discovery of seven discrete coal deposits. The Illtyd Creek deposit was extensively drilled to the proven reserve stage.

The Minerals Division has in situ reserves of some 650 million long tons of low sulphur, high volatile C bituminous coal contained within 5 major coal seams in seven separate deposits. The deposits are amenable to both open pit and underground mining. The coal is non-metallurgical in character.

Some 119 million long tons in the Illtyd Creek deposit are proven reserves.

A preliminary feasibility study for an underground coal development within this deposit has been completed and has shown that 23 million sales tons of coal over a 30 year period could be supplied from the Illtyd Creek deposit to an on-site thermal power station. This supply would satisfy the energy requirements of a staged 210 megawatt power station.

The Minerals Division currently anticipates spending $5,000 in 1986, which is the amount required to maintain the condition of and the title to the property.

Robertson & Associates have commented on the character and quality of the Bonnet Plume property. (See Schedule "A", "Robertson Report on the Mineral Assets").

Sage Creek, British Columbia

The Minerals Division holds a 40% equity interest in Sage Creek Coal Limited which owns 58 coal licences in southeastern British Columbia. The Sage Creek Project is operated by Rio Algom Exploration Inc. Two coal deposits suitable for surface mining have been defined and are estimated to contain 150 million long tons of thermal and metallurgical grade coal reserves. A feasibility study has been completed with respect to the possible development of a mine to produce 2.3 million long tons per year of thermal and metallurgical coal for foreign markets over a 20 year period. Approval in principle has been received from the British Columbia government to the Stage II Environmental Assessment Report. The report is currently being reviewed by the International Joint Commission. Development of a mine complex at Sage Creek is dependent upon improved international coal markets and the review of the International Joint Commission. No development expenditures are planned for this project in 1985.

With respect to Number 2 lens and associated lenses, imprecision of correlation and minor insecurity with respect to the continuity of gold values, require that the lens be examined underground before economic feasibility can be confirmed. Preliminary consideration of this matter suggests that initial entry should be by ramp from which necessary examination can take place.

Presuming successful result, a ventilation shaft can be up-reamed from the base of the ramp, the entire operation being performed expeditiously and at relatively low cost.

In view of the high probability that underground work will confirm tonnage, grade and mineability to permit economic operation, all openings should be of production size.

It is the understanding of Robertson & Associates that Granges shortly will recommend a program for such testing, with detailed budget. Robertson & Associates recommends to Aberford that such a program be undertaken and that it include provision for thorough sampling and careful geological study.

In respect of regional distribution of gold, as noted earlier, a limited amount of detailed geological examination has been carried out. Robertson & Associates recommends that a thorough re-logging of drill core be undertaken, coupled with detailed mapping of the hanging wall and footwall rocks in the area of the Main Zone rocks drilled to date. This may provide evidence as to the reasons for the location of the intensely mineralized part of the zone seen to date. Beyond this, it will be the basis, coupled with regional geophysical and geochemical study, for examining extensions of the Main Zone and other gold occurrences on the property.

CATEGORY II

One project, the Lara Project, is included in this category, a project at an intermediate stage of exploration and which appears to hold high promise.

THE LARA PROJECT

Introduction

The Lara Project of Aberford Resources is located on Vancouver Island, British Columbia, between Victoria and Nanaimo. (Figure 2). Aberford holds a 65 per cent interest in the project.

The property is accessible via logging roads from the Crofton area. A high voltage power transmission line traverses the west end of the property.

Elevations on the property range from about 600 to perhaps 2,300 feet above sea level.

The property was visited by Robertson & Associates on September 11, 1985. Core from several drill holes on the Coronation Zone was examined, as were maps and drill sections at Aberford's Crofton office. Exploration results and future plans were discussed with Aberford personnel.

The property comprises 9,514 acres.

Summary

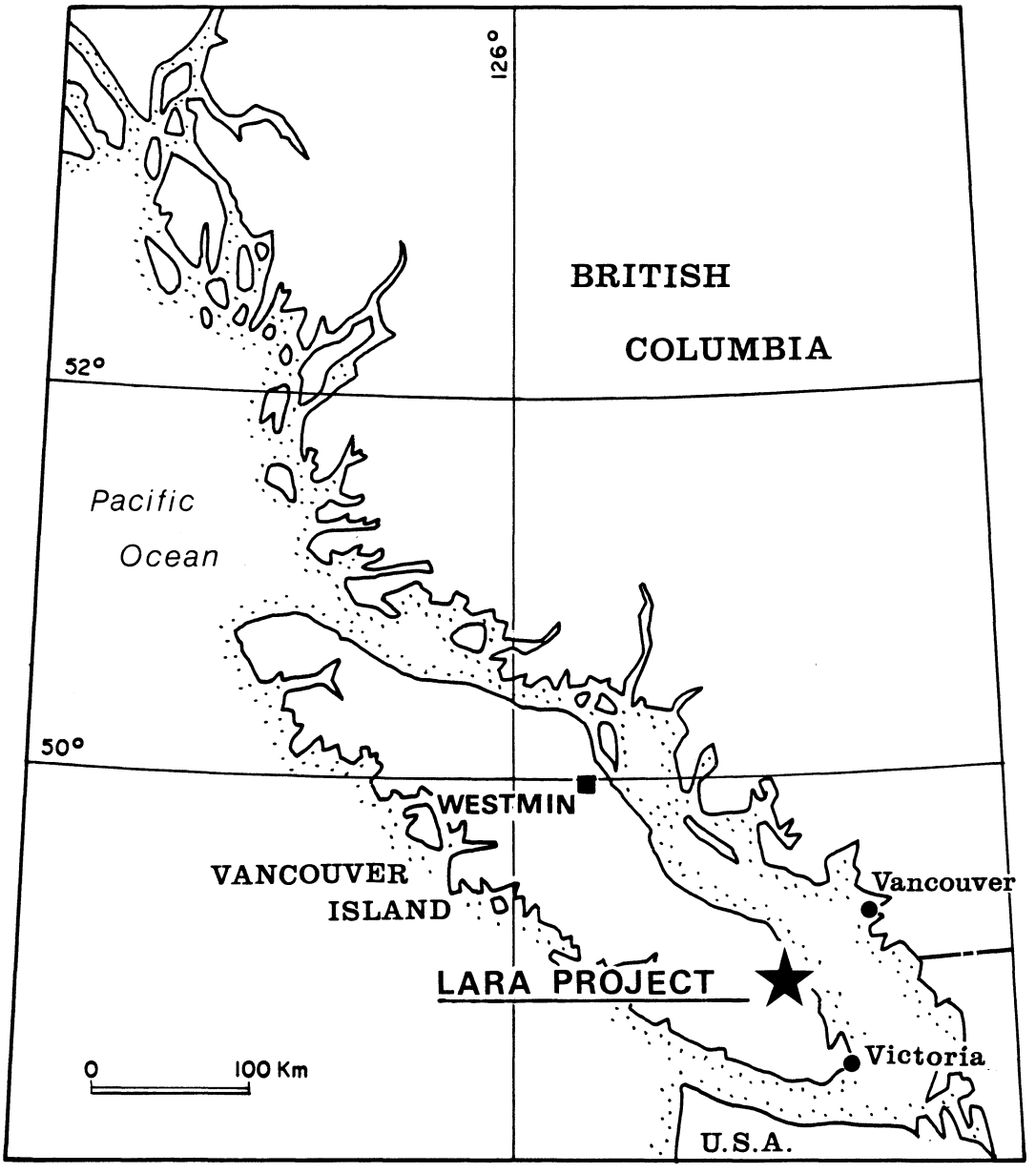
Drilling of the Lara property has demonstrated the presence of regionally distributed polymetallic mineralization in the Myra Falls Formation of the Sicker Group. The rocks and mineralization of the area are similar to those of the Westmin deposits at Buttle Lake to the north and it is possible that they are time equivalent.

Detailed drilling in the vicinity of presently demonstrated mineralization is strongly recommended, as is pursuit of further targets in the same stratigraphic unit on the large property.

Aberford is currently drilling in the vicinity of the 85-40 zone, with an interim budget of $500,000.

History

The property was staked by Laramide Resources in 1981, following reconnaissance geological mapping which outlined an area of Sicker Group felsic volcanic rocks.



LOCATION MAP

LARA PROJECT - ABERFORD RESOURCES

FIGURE 2

Aberford optioned the property in 1982 and commenced a program of geochemical sampling, geophysical surveys (I.P., magnetometer and VLF) and trenching. Up to 1984, about 40 trenches investigated various geochemical and geophysical anomalies, and 5 zones of base metal mineralization were uncovered.

Twelve holes were diamond drilled in late 1984 to test these generally narrow zones. Some weak mineralization was encountered, but the last hole of that program, No. 84-12, intersected significant Zn-Pb-Cu-Ag-Au values over an estimated true width of 27.13 feet.

In 1985, follow-up drilling of 30 holes extended this zone, the Coronation Zone, to a strike length of 1,300 feet and to a depth of 350 feet.

One of the last holes of the 1985 program, No. 85-40, was a step-out hole located 1,650 feet east of the Coronation Zone. It interesected the best Zn-Pb-Cu-Ag-Au values to date on the property over an estimated true width of 12.07 feet.

Geology and Mineralization

Regional

The Lara Project is in an area of Sicker Group volcanic rocks. The middle unit of the Sicker Group, the Myra Falls Formation, predominates in the property area.

The Myra Falls Formation consists of intermediate to felsic volcanic and pyroclastic rocks, and is considered analogous to the volcanic rocks which host Westmin's Zn-Pb-Cu-Ag-Au deposits at Buttle Lake, about 100 miles to the northwest.

In the Lara Project area, the Myra Falls volcanics appear to be folded into an anticline with a shallow westerly plunge. The property covers the south limb and part of the north limb of the postulated anticline. Both limbs are overlain by the "sediment-sill" unit of the Sicker Group which comprises mixed volcaniclastic rocks with gabbro or diorite sills.

The Mount Sicker property adjoins to the east of the Lara property. It is currently under option to Falconbridge, and in the past, has produced in the order of 250,000 tons averaging about 4 per cent copper, 0.25 oz/ton gold and 3 or 4 oz/ton silver. Zinc was reported, but not recovered.

Property

Based on study of drill holes and infrequent outcrops, the Lara property is underlain mostly by Myra Falls Formation intermediate to felsic volcanic and pyroclastic rocks of the Sicker Group. These include andesite flows and pyroclastics, dacitic and rhyolitic pyroclastics and, possibly, felsic flows. Some of the felsic rocks contain quartz and/or feldspar crystals.

Within the sequence, argillite units are developed associated with the felsic tuffs. The argillite is locally graphitic. Sulphides, mostly pyrite, but locally sphalerite, chalcopyrite and galena, are associated with these tuffaceious-sedimentary intervals. To date, three such intervals have been traced for strike lengths of many hundreds of feet. The units are expressed by geophysics (I.P. and VLF-EM) and by soil geochemistry, and have been trenched and drill-tested.

The two northern intervals contain only minor base metal sulphides, but the southern-most unit hosts the Coronation Zone, the Hole 85-40 zone, and minor mineralization further east (Zone 1). Grades encountered in the 85-40 zone are commensurate with those found at the Buttle Lake deposits of Westmin.

The rocks have been metamorphosed to greenschist facies and deformed structurally, as evidenced by a well-developed cleavage. The structural style observed in the field suggests the possibility of tight or even isoclinical folds with a shallow plunge west or east. Careful structural mapping is required to document minor structures such as mesoscopic folds, mineral lineation, rodding, bedding-cleavage relationships, et cetera.

Table I lists the published results of Aberford's 1984 and early 1985 diamond drilling on the Coronation Zone (Holes 84-12 to 85-39) and the new zone (Holes 85-40 to 85-42). Drill hole 85-40 is located along the

apparent strike, some 1,650 feet east of the Coronation Zone. (Figure 3 is a drill hole plan, and Figure 4 is a typical cross-section.)

Both zones dip steeply to the north, and the Coronation Zone exhibits a shallow westerly plunge.

Exploration Potential

Both the Coronation Zone and the Hole 85-40 Zone have excellent exploration potential.

To the east and west, the Coronation Zone pinches and swells along its shallow plunge, and could do so again beyond the existing drill holes. At depth, other similar lenses could be present in the host mineralized unit.

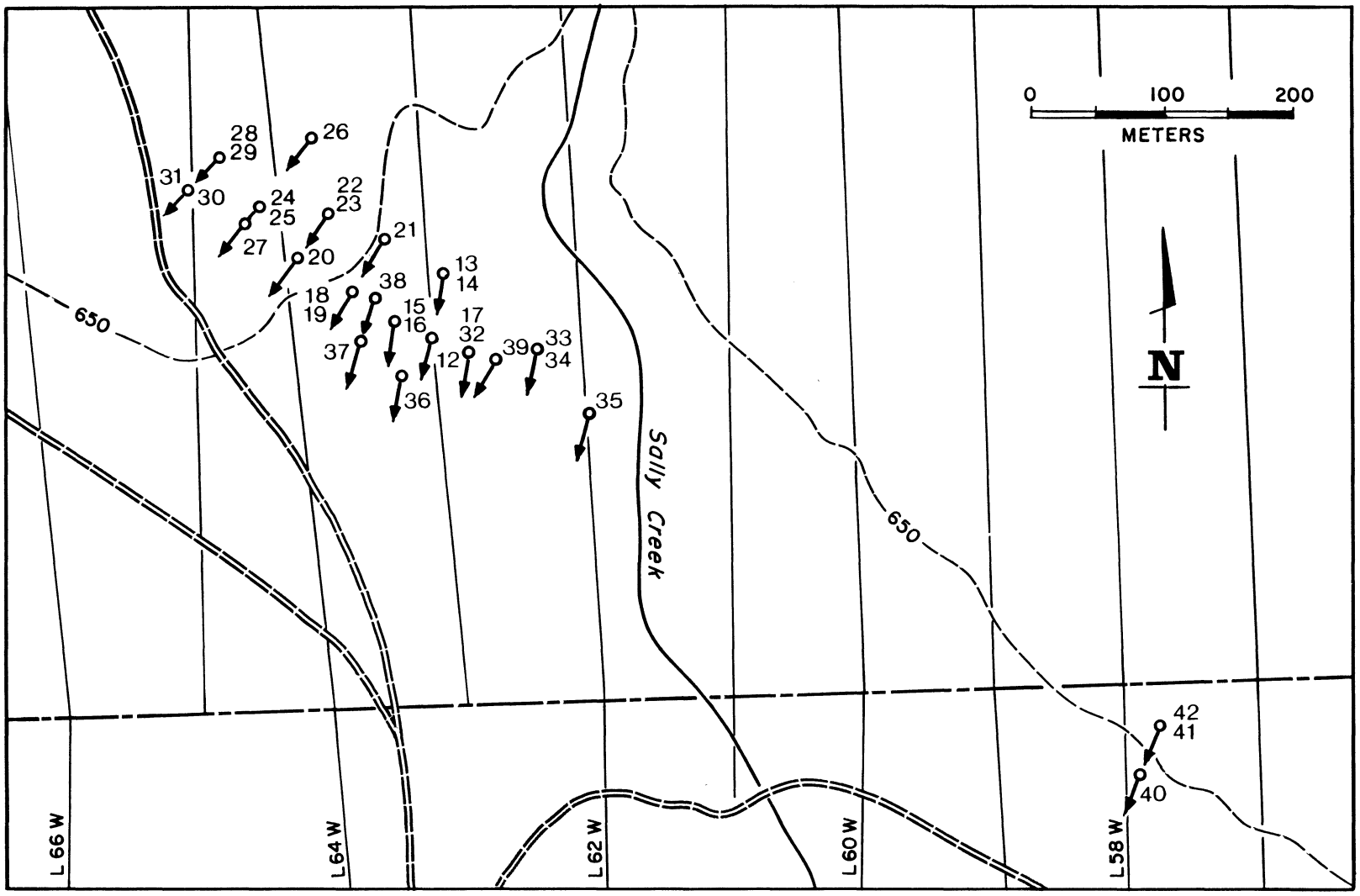
The Hole 85-40 Zone has only two drill holes, and is virtually open on three sides.

Only part of the rather large Lara property has had detailed exploration work. In all, the property covers some 6 miles strike length of the Myra Falls Formation. In addition, if the postulated anticline exists on the property, another 1.5 miles of strike length in the north part of the property would be prospective.

Geophysical, geochemical, and geological coverage of the relatively unexplored parts of the favourable geological areas is indicated.

TABLE I
ABERFORD RESOURCES LTD.
LARA PROJECT
PUBLISHED DRILL REPORTS

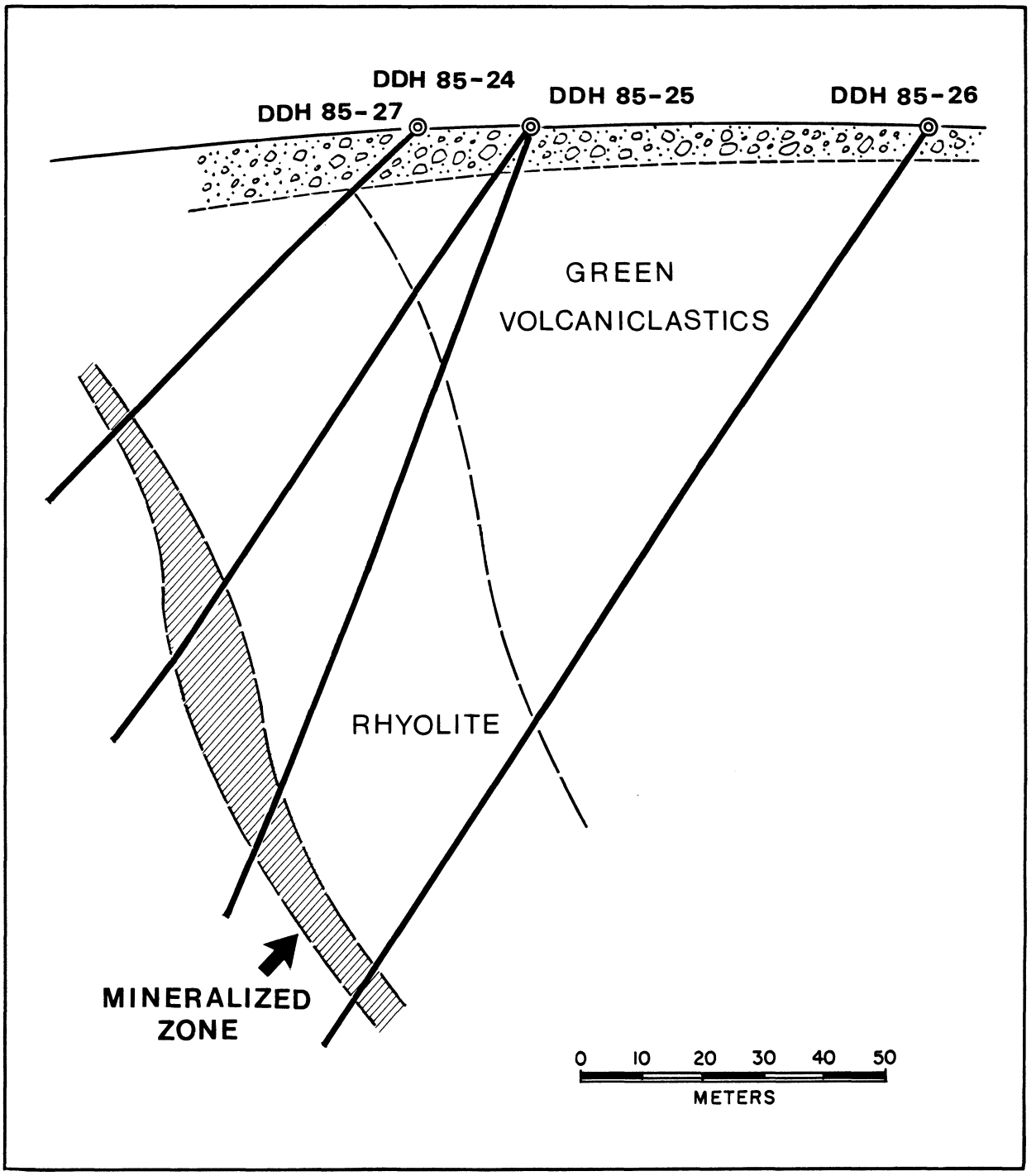
HOLE	DRILLED FROM	DRILLED TO	T.R. WIDTH FEET	CU %	PB %	ZN %	AG oz/ton	AU oz/ton
DDA 84 12	168.58	197.12	27.13	0.63	0.45	3.01	1.97	0.105
including	168.59	180.09	10.96	1.21	0.70	5.16	2.67	0.135
DDH 85 13	349.26	358.15	8.37	0.03	0.13	0.57	0.39	0.041
DDH 85 14	357.96	360.48	2.26	0.05	0.25	1.06	0.40	0.030
DDH 85 15	165.69	204.08	37.40	0.42	0.49	2.78	1.99	0.087
including	165.69	183.24	17.09	0.62	0.73	4.71	3.21	0.153
DDH 85 16	258.21	267.96	7.25	0.41	0.22	1.66	0.84	0.021
DDH 85 17	143.84	148.20	2.56	0.06	0.34	1.47	1.10	0.010
DDH 85 18	203.16	228.52	24.80	0.17	0.45	1.32	0.85	0.036
including	206.18	213.59	7.25	0.35	0.50	2.41	0.72	0.055
DDH 85 19	264.97	283.97	13.65	0.30	0.27	1.69	0.61	0.035
including	264.97	274.55	6.89	0.53	0.28	2.45	0.78	0.046
DDH 85 20	220.58	226.55	5.77	0.47	0.56	1.67	2.68	0.045
DDH 85 21	418.52	442.28	18.70	0.29	0.11	0.55	0.61	0.032
DDH 85 22	348.25	377.05	27.69	0.20	1.22	1.16	0.86	0.097
DDH 85 23	396.90	419.21	20.21	0.24	0.20	0.53	0.79	0.053
DDH 85 24	307.69	350.94	38.52	0.40	0.21	1.24	1.13	0.030
including	345.75	350.94	4.63	0.15	0.39	2.64	5.08	0.071
DDH 85 25	390.37	425.41	26.44	0.49	0.05	1.13	0.32	0.027
including	390.37	406.52	12.17	0.67	0.13	2.29	0.44	0.037
DDH 85 26	548.91	565.78	14.76	0.38	0.04	1.17	0.16	0.015
DDH 85 27	219.14	230.82	11.12	2.01	0.58	3.34	2.11	0.500
DDH 85 28	358.50	440.06	47.60	0.19	0.11	1.60	0.51	0.027
including	423.61	434.99	10.56	0.19	0.16	2.97	1.23	0.029
DDH 85 29	NO SIGNIFICANT INTERCEPT							
DDH 85 30	324.92	367.47	36.85	0.20	0.14	2.17	0.62	0.057
DDH 85 31	253.52	262.78	11.94	0.14	0.07	0.59	0.50	0.019
DDH 85 32	260.51	261.43	0.59	0.73	1.95	5.60	6.36	0.290
DDH 85 33	238.36	255.62	17.23	0.33	1.42	3.80	1.67	0.064
including	244.89	252.01	7.02	0.57	2.66	7.23	1.84	0.053
DDH 85 34	249.78	280.20	27.99	0.58	0.83	4.94	2.04	0.033
including	259.86	269.67	9.02	1.00	0.52	9.14	1.47	0.041
DDH 85 35	NO SIGNIFICANT INTERCEPT							
DDH 85 36	77.65	92.20	14.17	0.66	0.50	3.47	2.41	0.269
DDH 85 37	103.22	125.01	20.60	1.21	0.35	2.04	1.61	0.051
DDH 85 38	237.87	251.13	11.25	0.77	0.46	2.54	1.05	0.035
DDH 85 39	167.95	178.58	7.91	0.36	1.05	3.30	1.87	0.098
DDH 85 40	150.93	166.67	12.07	1.16	2.53	9.22	8.60	0.213
DDH 85 41	ABANDONED							
DDH 85 42	361.57	392.08	23.36	0.17	0.37	1.46	0.78	0.058
including	361.57	369.05	5.74	0.11	1.11	2.65	1.25	0.096



CORONATION AND 85-40 ZONES

LARA PROJECT - ABERFORD RESOURCES

FIGURE 3



TYPICAL SECTION – LARA PROJECT

ABERFORD RESOURCES

FIGURE 4

Conclusions and Recommendations

Aberford's Lara Project covers a large area in a geological setting similar to that which hosts the Mount Sicker Cu-Au-Ag deposit adjoining to the east and the Westmin Zn-Pb-Cu-Ag-Au deposits 100 miles to the northwest. These are both volcano-genic deposits within the Myra Falls Formation of the Sicker Group. All three mineralized areas may be time equivalent.

Discovery of the Coronation Zone in 1984 and the new Hole 85-40 Zone in early 1985 indicate excellent exploration potential for polymetallic sulphide deposits, both by extension of these zones and on the rest of the property.

General recommendations by Robertson & Associates are for:

a) Drilling to extend the new Hole 85-40 Zone along strike east and west, as well as to depth.

b) Step-out drilling to explore for other mineralized zones on the unit hosting the known zones.

c) Basic exploration on other parts of the property along strike east and west from the known zones, and in the northern part of the property across the postulated anticlinal axis.

It is noted that Aberford recently has begun a drill program on the 85-40 Zone with an interim budget of $500,000.

CATEGORY III

Two projects, Sage Creek and Jason, are included in this category, and these projects, with improvement in market conditions possible within ten years, are likely to become economic.

THE SAGE CREEK PROJECT

Introduction

The Sage Creek Coalfield is located in southeastern British Columbia, at about 49° 00′ north and 114° 30′ west, just north of the International Boundary.

The project contains low to medium volatile bituminous coal reserves under 28,124 acres of land. Aberford owns 40 per cent of the project, with Rio Algom Exploration Inc., the operator, having 60 per cent.

Status of Project

The property contains a coal reserve in excess of 149 million tons in place in two deposits from which metallurgical coal and low sulphur thermal coal can be produced.

A feasibility study has been completed for the project, the metallurgical product has been tested and found acceptable by Japanese steel mills and the Government of British Columbia has approved the Stage II Environmental Impact Study.

The feasibility study projected a mining rate of 2.2 million long tons per year, to give 46.6 million tons of product through about 21 years, at an average stripping ratio of 7.88:1. Clean coal recoveries from the two deposits, North Hill and South Hill, were estimated at 90 per cent and 81 per cent, respectively. These latter numbers are unusually high.

Comment

Due to conditions in the international coal market, the project, like many others, is on standby. While the thermal coal market shows some modest signs of strengthening, the appearance of coal from Colombia, in large volumes, may again depress the market. The metallurgical coal market shows no sign of near term improvement and price remains low.

The project currently is not economic, and will not be so for some years. Absent the ability to dispose of Aberford's interest at some satisfactory price, and assuming a reasonable cost of carrying the land, the project should be maintained for an indefinite period in anticipation of ultimate profitable production.