

Mamie
93L/14W
885228
93L091

EXPLORATION



ounces of gold per ton across 2.5 feet. Whitesail must spend \$500,000 and make cash payments totalling \$50,000 over four years to earn a 50% interest in the Smith-Nash property. Exploration elsewhere on Whitesail's property, in which Silver Standard has certain back-in rights, was successful in locating additional gold-bearing zones to be followed up in 1988.

Mamie (100%)

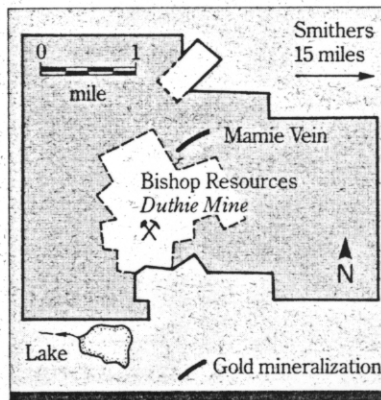
The Company continued surface and underground exploration on the 4000-acre Mamie property located 15 miles west of Smithers. Based on detailed underground sampling, a geological reserve of 61,000 tons grading 0.28 ounces of gold per ton, 1.5 ounces of silver per ton and 5 percent zinc has been calculated. Surface sampling indicates the Mamie Vein is mineralized for a further 300 feet along strike and may contain an additional 20,000 tons. The complex mineralogy has precluded development of the property to date. An underground bulk sample is currently being tested metallurgically, to determine if the precious metals can be recovered profitably.

Rare Earths (100%)

Additional soil geochemical and rock sampling was carried out on the Company's wholly-owned rare earths property located in the southern Yukon Territory. The soil samples were collected over those areas where grab samples containing up to 3 percent combined rare earths and 1 percent yttrium had been previously collected. Work is continuing on this property.

In December, the Company staked 1400 acres in western Quebec to cover a known rare earths and niobium showing. Preparatory surveys have been carried out on the property to be followed up by mapping and prospecting in 1988.

Mamie Property

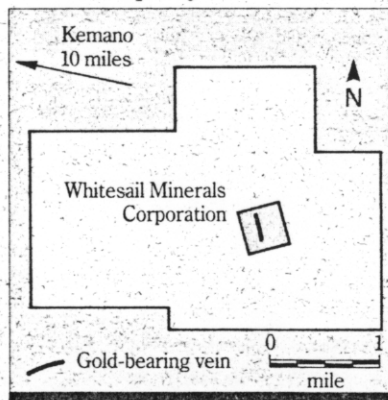


Castle/B.J. Claims (10%)

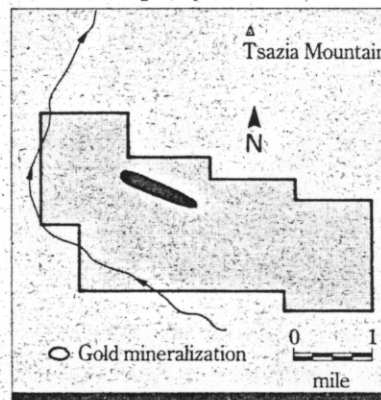
Exploration on the B.J. property located in northern British Columbia entailed geochemical sampling of the seven known veins on the property. Selected chip samples from the main gold-bearing vein assayed 0.883 ounces across 5 feet, 0.556 ounces across 5.3 feet and 0.116 ounces across 18 feet. Similar assays were reported for a number of the other veins on the property.

On the Castle property, also in northern British Columbia, geophysical surveys, soil sampling and prospecting have outlined a gold-bearing zone in a 600-foot wide sulfide-bearing gossan that extends 4300 feet across the property. Gold mineralization is associated with quartz veinlets and pyrite within sericitic alteration zones. Grab samples assay as high as 4.03 ounces of gold and 12.7 ounces of silver per ton, while chip samples assaying 0.93 ounces and 0.254 ounces of gold per ton, both across 3 feet, have been collected. The B.J. and Castle properties, in which the Company has a 10% joint venture interest, will be drilled in the coming field season.

Smith Property



Castle Property



B.J. Property

