

mt. milligan

885703

CONTINENTAL GOLD CORP.
1020-800 W. Pender Street
Vancouver, B.C., V6C 2V6
(604) 684-6365

UNITED LINCOLN RESOURCES INC.
1020-800 W. Pender Street
Vancouver, B.C., V6C 2V6
(604) 684-6365

JANUARY 9, 1989

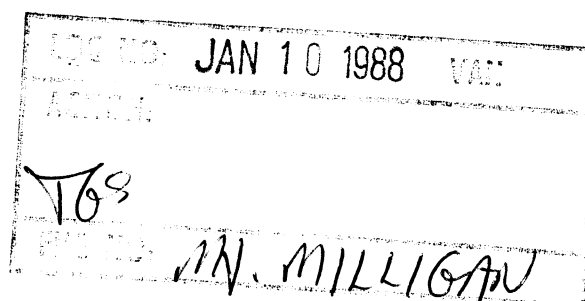
NEWS RELEASE

POTENTIAL FOR WORLD CLASS
GOLD-COPPER DEPOSIT INDICATED

Robert G. Hunter, Director of Continental Gold Corp. (VSE:CUG) and its 69% owned subsidiary United Lincoln Resources Inc. (VSE:ULN, NASDAQ:ULNNF) today announced assay results for the first 10 holes of a major delineation drill program underway at the Mt. Milligan property. The Mt. Milligan gold-copper project is a United Lincoln (70%) - BP Resources Canada Limited (30%) joint venture. United Lincoln is operator.

The current drill program has started to test the eastern flank of a circular, disseminated sulphide system measuring 2 miles in circumference. Drilling continues to expand the MBX disseminated gold-copper zone which now measures 2500 feet along-strike and up to 1000 feet wide (Figure 1). The zone has demonstrated vertical continuity to a depth of at least 850 feet (Hole 88-68 and 88-70) and is open to extension along-strike and at depth (Figure 2).

Gold is disseminated throughout the MBX zone with gold grades showing a dramatic increase at the open, southern end of the zone (Hole 88-61 and 88-66). Current assay results are summarized in Table I and II and on Figure 3 and Figure 4.



.../2

TABLE I

DRILL HOLES IN MBX ZONE

<u>Hole No.</u>	<u>Azimuth (Degrees)</u>	<u>Dip (Degrees)</u>	<u>Hole Length (Feet)</u>	<u>Interval (Feet)</u>		<u>Intercept (Feet)</u>	<u>Copper (%)</u>	<u>Gold oz/ton</u>
				<u>From</u>	<u>To</u>			
88-61	264	-45	925.3	205.0	925.3	720.3	0.09	0.036
			(including)	205.0	373.9	168.9	0.10	0.073
				478.9	724.9	246.0	0.12	0.045
88-65	270	-45	984.8	195.1	646.2	451.1	0.41	0.013
88-66	090	-45	651.7	50.0	651.7	601.7	0.12	0.035
			(including)	393.6	651.7	258.1	0.05	0.062
				505.8	651.7	145.9	0.03	0.086
88-67	270	-45	806.8	209.9	589.7	379.8	0.26	0.012
88-68	270	-80	1048.8	31.2	1048.8	1017.6	0.36	0.015
			(including)	31.2	518.2	487.0	0.43	0.022
				518.2	591.4	73.2	0.12	0.006
				591.4	915.1	323.7	0.40	0.012
				915.1	1048.8	133.7	0.14	0.005
88-70	270	-80	1057.0	83.0	513.8	430.8	0.38	0.016
			(including)	513.8	891.0	377.2	visual copper	
				891.0	1057.0	166.0	assays pending	
				1057.0	+		in progress	

TABLE II

DRILL HOLES PERIPHERAL TO MBX ZONE

<u>Hole No.</u>	<u>Azimuth (Degrees)</u>	<u>Dip (Degrees)</u>	<u>Hole Length (Feet)</u>	<u>Interval (Feet)</u>		<u>Intercept (Feet)</u>	<u>Copper (%)</u>	<u>Gold oz/ton</u>	
				<u>From</u>	<u>To</u>				
88-62	270	-45	1131.6	225.0	1131.6	906.6	0.11	0.012	
88-63	270	-45	526.9	no significant values - not in zone					
88-64	270	-45	486.9	118.0	486.9	368.9	0.08	0.020	
88-69	270	-45	709.8	entire hole in fault zone - no values					

Drill results to date confirm the large-scale, open pit potential of the property. Table III lists operating parameters for several open pit mines in British Columbia. It indicates that with continuing positive drill results Mt. Milligan could develop into a major open pit gold-copper mine. At comparable milling rates Mt. Milligan could be a leading Canadian gold producer with average annual production of 200,000 ounces of gold per year plus significant copper.

TABLE III

**UNIT OPERATING PARAMETERS
BRITISH COLUMBIA OPEN PIT MINES**

<u>Mine</u>	<u>Tons Per Day</u>	<u>Ore Reserves Start Production (tons)</u>	<u>Payable Metals \$/Ton Milled*</u>	<u>Operating Costs \$/Ton Milled**</u>
Brenda	31,000	175,000,000	6.90	5.30
Gibraltar	38,100	360,000,000	6.70	5.90
Similkameen	25,000	61,000,000	9.80	7.40

MT. MILLIGAN PROJECT

Mt. Milligan	Exploration Stage	-	13.30	-
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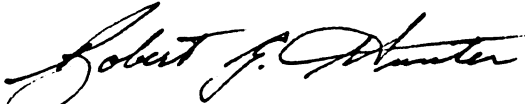
* Copper = \$US 1/lb.
Gold = \$US 410/ounce
Molybdenum = \$US 3.40/lb.

** Cash site costs plus smelter,
refining and freight charges

Two drill rigs are now at work on the property with an additional 2 machines scheduled to start before month end. The on-going drill program will continue to test the circular disseminated sulphide system and numerous other targets on the 42 square mile property (Figure 5).

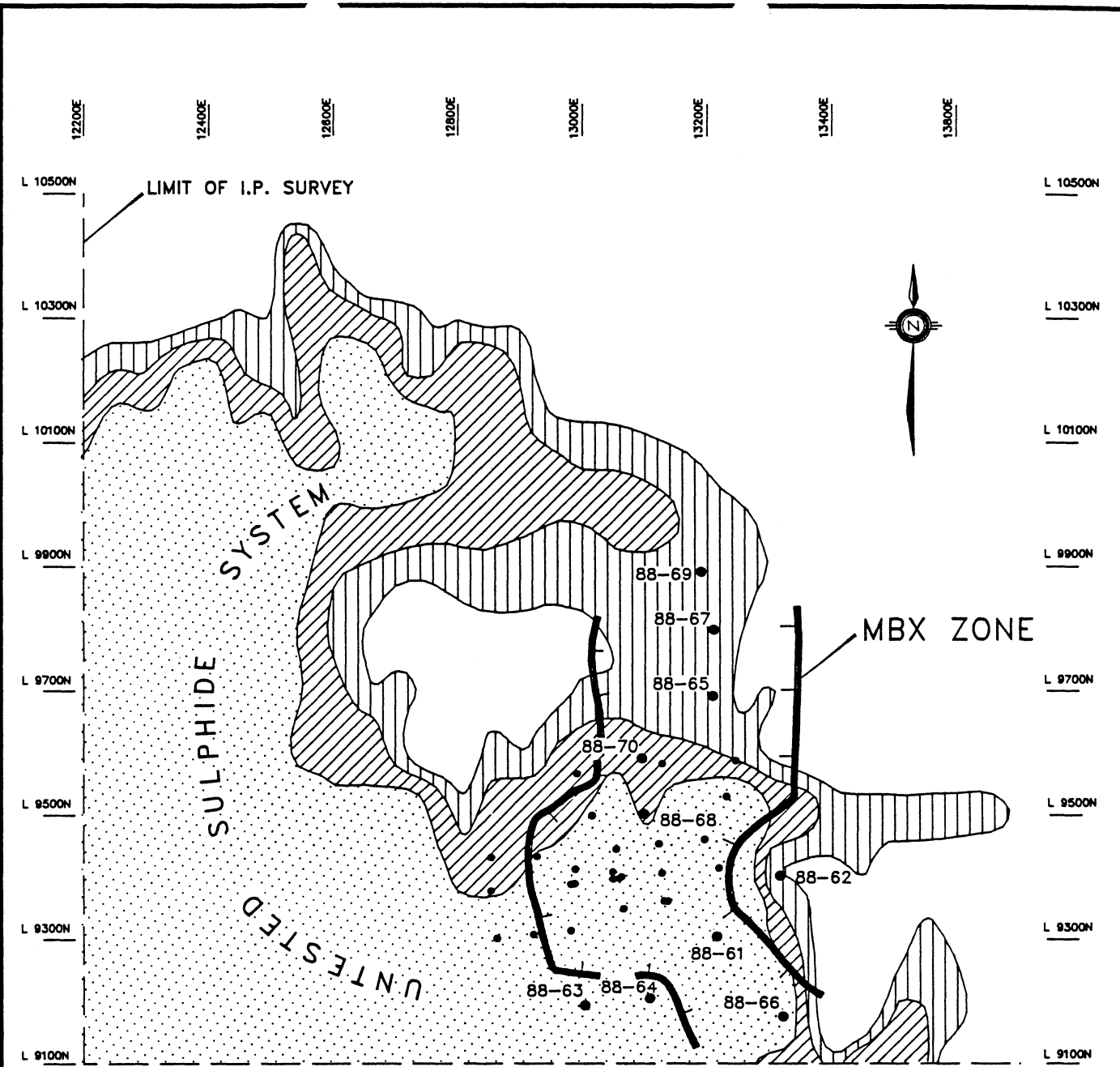
Continental Gold Corp. and United Lincoln Resources Inc. plan to amalgamate on a one share for one share basis by March 1989. On gifting back of inter-company share holdings there will be approximately 6,921,000 common shares of the amalgamated entity issued and outstanding (7,900,000 fully diluted).

ON BEHALF OF THE BOARD






Robert G. Hunter
Director

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.



INDUCED POLARIZATION SURVEY
DISSEMINATED SULPHIDE CONTENT

-  HIGH
-  MEDIUM
-  LOW

- 88-68 DRILL HOLE THIS RELEASE
- REPORTED DRILL HOLE

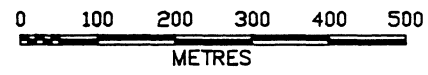
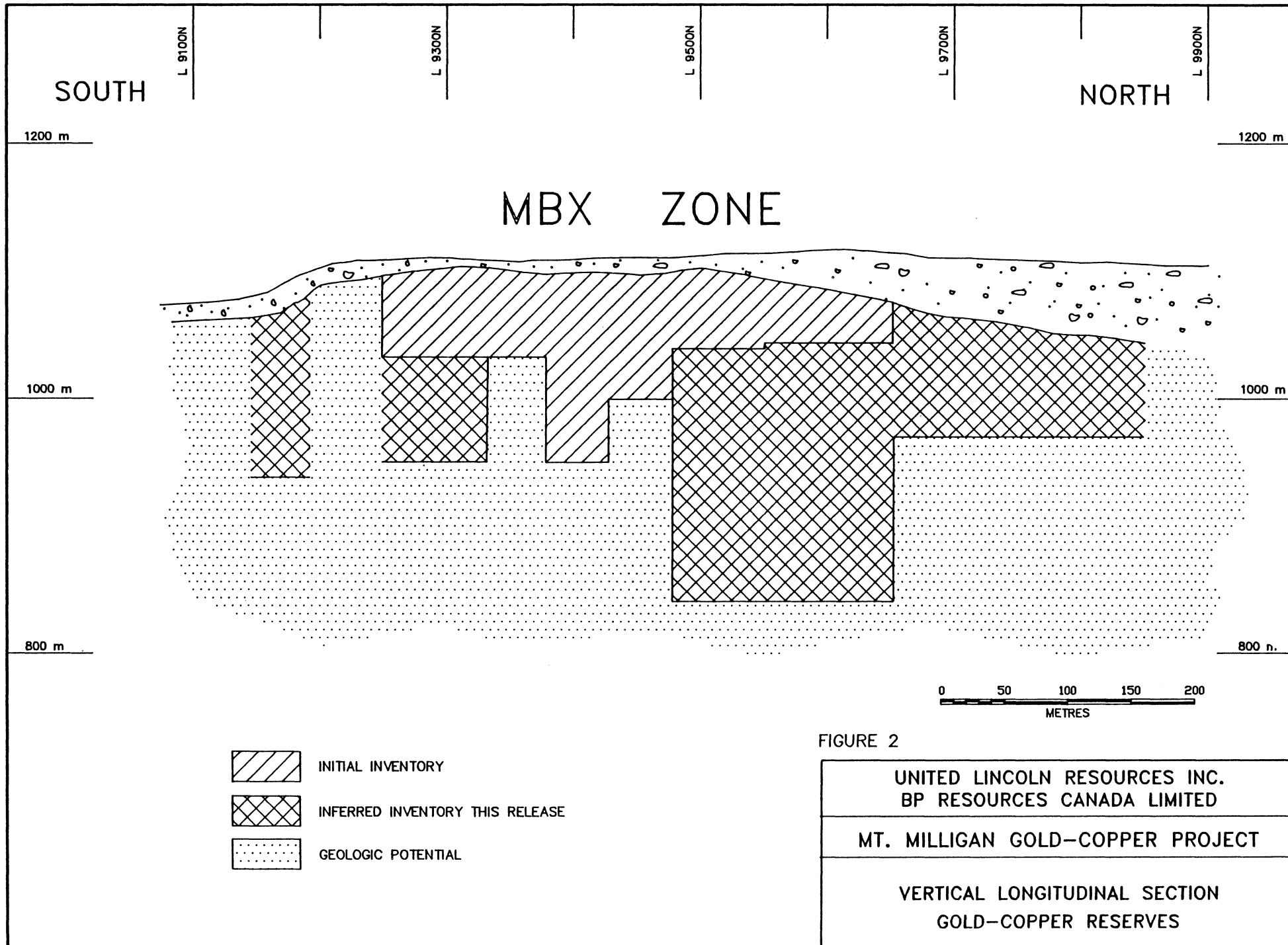


FIGURE 1

UNITED LINCOLN RESOURCES INC. BP RESOURCES CANADA LIMITED
MT. MILLIGAN GOLD-COPPER PROJECT
PLAN DISSEMINATED SULPHIDE SYSTEM AND MBX ZONE DIAMOND DRILL COLLARS



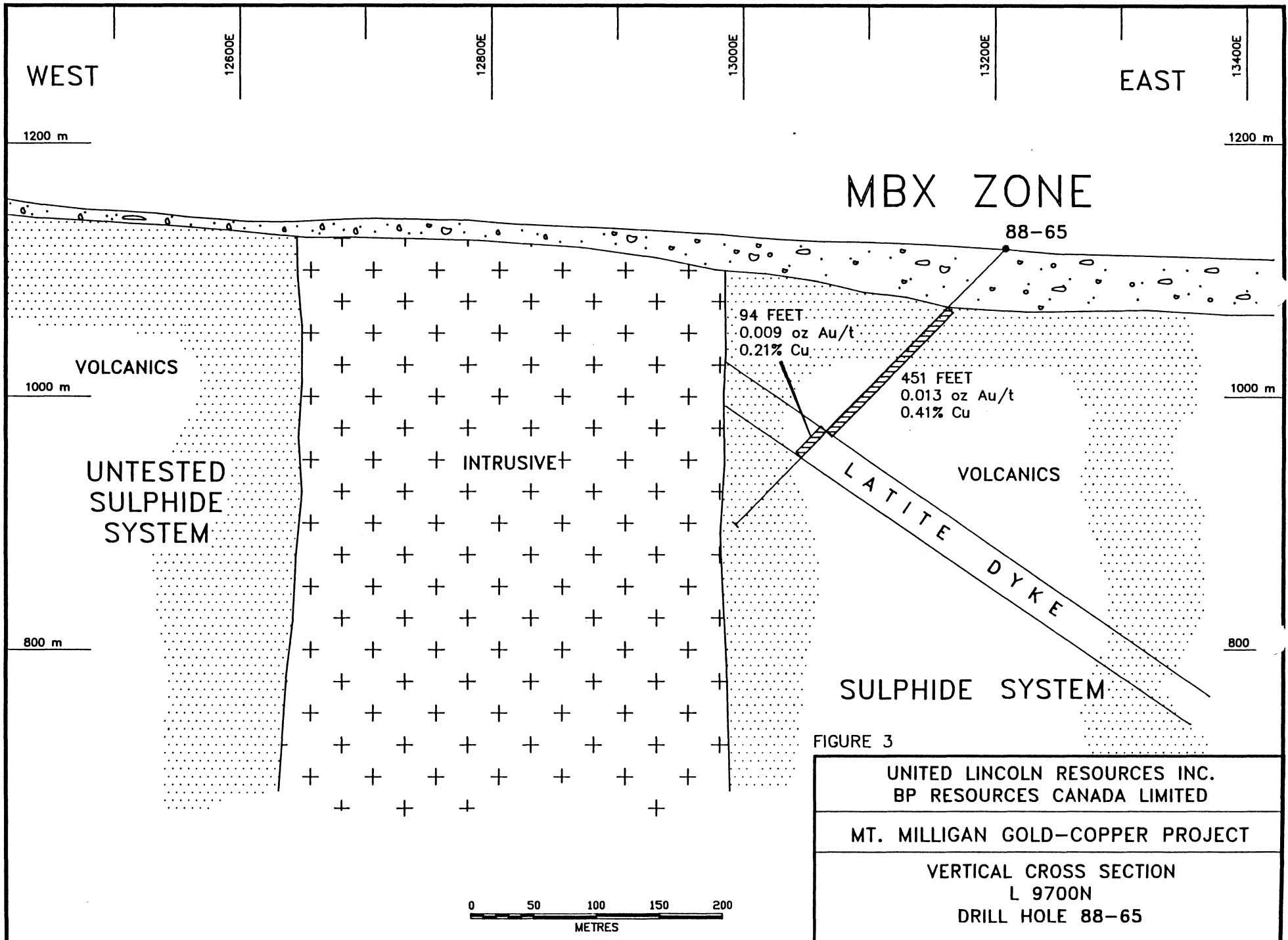
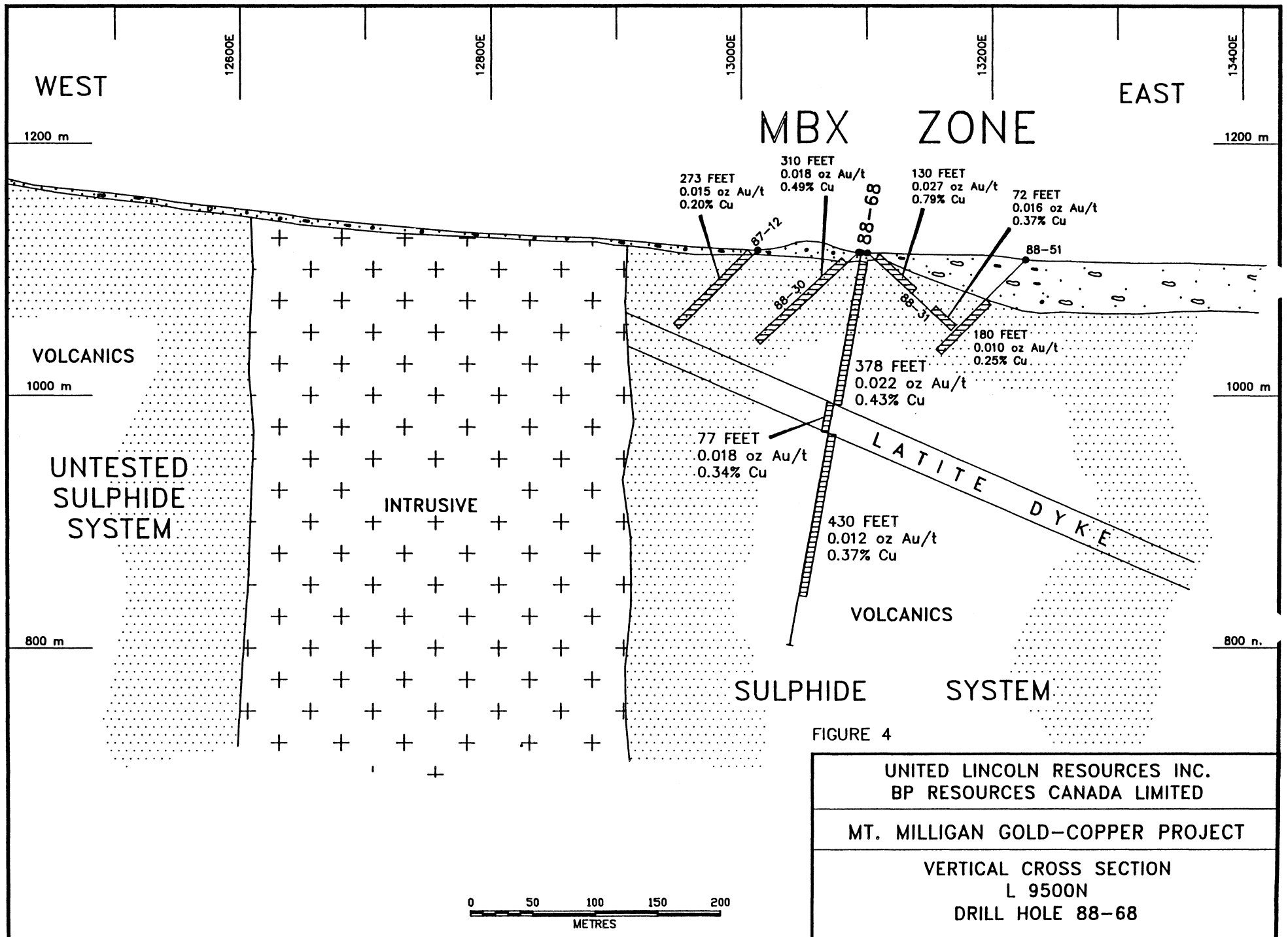


FIGURE 3

UNITED LINCOLN RESOURCES INC.
BP RESOURCES CANADA LIMITED

MT. MILLIGAN GOLD-COPPER PROJECT

VERTICAL CROSS SECTION
L 9700N
DRILL HOLE 88-65



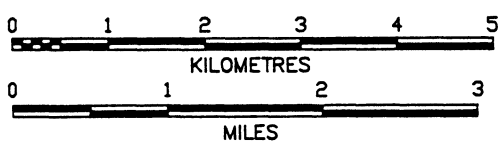
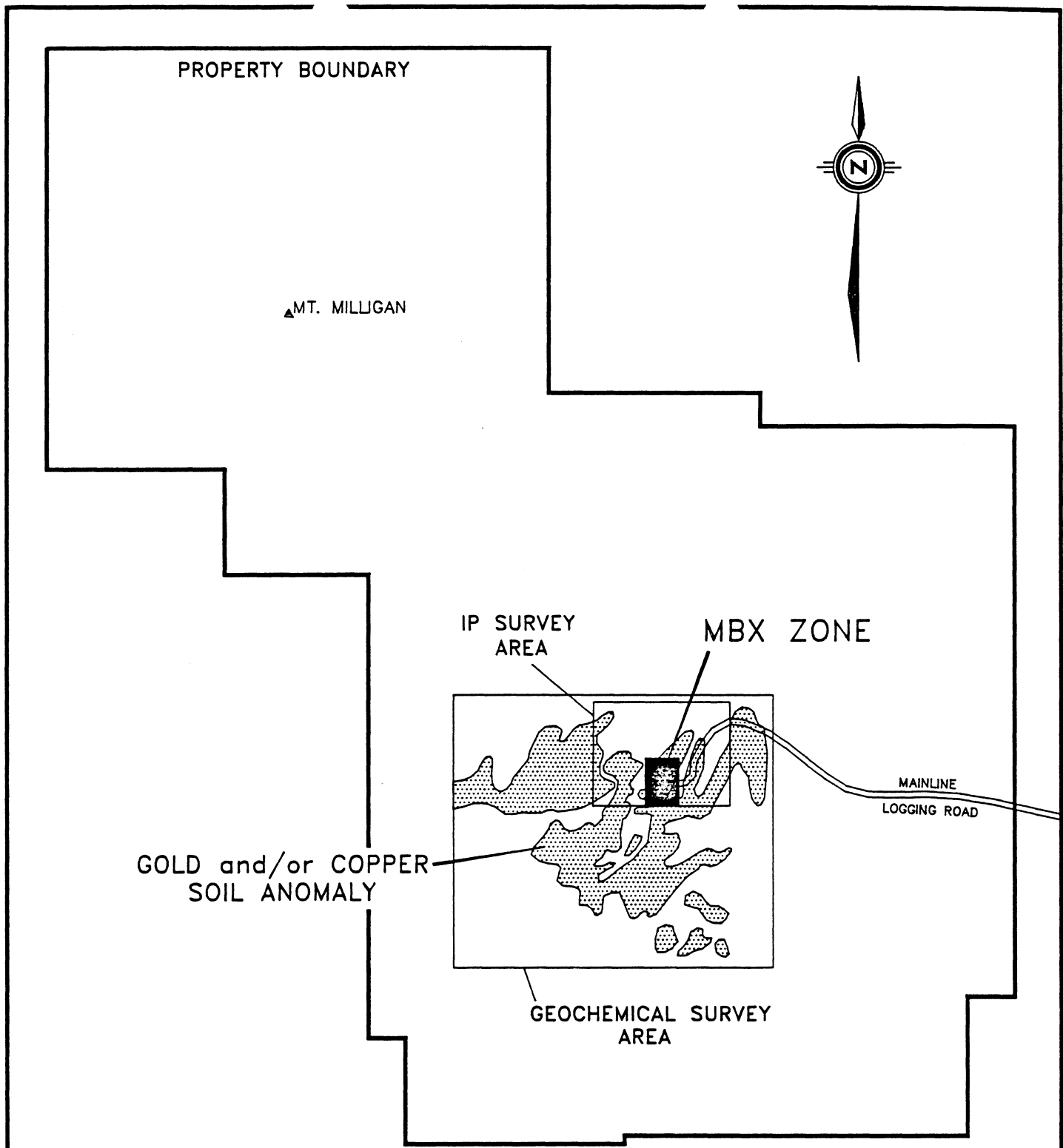


FIGURE 5

UNITED LINCOLN RESOURCES INC. BP RESOURCES CANADA LIMITED
MT. MILLIGAN GOLD-COPPER PROJECT
PROPERTY MAP

Prepared by: RWR MINERAL GRAPHICS LTD.



N E W S R E L E A S E

JUNE 8, 1989

LOG NO: JUN 12 1989 VAN
ACTION:
<i>YGS</i>
FILE NO: MT. MILLIGAN

GOLD-COPPER DEPOSIT 4,300 FEET LONG, 3,100 FEET WIDE AND OPEN

Robert A. Dickinson, President of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ) is pleased to announce further diamond drill hole results from the Mt. Milligan Project near Prince George, B.C. The results continue to expand gold-copper reserves. It is now apparent that the MBX, West Breccia and 66 Zones form one contiguous, blanket shaped mineralized body 4,300 feet long, up to 3,100 feet wide and up to 880 feet thick. Another drill has been mobilized to the property and four drills are currently expanding on these reserves. The Project is a Continental Gold Corp. (70%) -BP Resources Canada Limited (30%) joint venture. Continental Gold Corp. is the operator.

New results from widely spaced sites in the MBX (gold-copper) Zone area are:

MBX ZONE

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-126	269	-45	401.9	255.8	401.9	146.1	0.23	0.010
89-128	090	-45	1134.9	643.9	885.6	241.7	0.32	0.018
89-129	096	-45	1294.6	918.4	1174.2	255.8	0.32	0.015
89-131	004	-46	996.8	341.8	564.2	222.4	0.28	0.011
89-135	268	-47	986.6 (including)	197.1	792.8	595.7	0.49	0.026
				197.1	407.1	210.0	0.74	0.045
				407.1	792.8	385.7	0.35	0.015
89-136	274	-46	745.2	118.1	237.8	119.7	0.31	0.019
89-138	355	-45	984.7	94.1	410.0	315.9	0.28	0.010
				842.6	913.5	70.9	0.31	0.026
89-140	270	-45	936.8	240.1	675.7	435.6	0.45	0.012
89-144	360	-46	1156.9 (including)	111.9	1050.6	938.7	0.36	0.010
				229.6	567.4	337.8	0.54	0.016
				741.3	1050.6	309.3	0.31	0.016

CONTINENTAL GOLD CORP.

Suite 1020 - 800 West Pender St. Vancouver B.C. Canada V6C 2V6
Tel. 604/684.6365 Fax. 604/684.8092

New results from widely spaced sites within the West Breccia (copper-gold) Zone area are:

WEST BRECCIA ZONE

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-125	089	-45	827.9	205.0	281.8	76.8	0.17	0.006
				337.8	702.6	364.8	0.17	0.006
89-127	093	-43	371.6	189.9	371.6	181.7	0.37	0.008
89-129	096	-43	1294.6	60.0	130.5	70.5	0.30	0.006
89-133	097	-43	910.9	242.7	544.5	301.8	0.24	0.009
89-137	269	-46	876.7	177.1	638.3	461.2	0.26	0.006
89-142	086	-44	1172.9	298.5	314.9	16.4	0.26	0.367
				578.6	636.3	57.7	0.06	0.012
				728.2	826.6	98.4	0.23	0.008
89-143	094	-68	1174.9	751.1	990.6	239.5	0.30	0.007
89-145	270	-45	856.7	72.2	242.7	170.5	0.19	0.009
				354.2	518.2	164.0	0.23	0.009
				597.0	715.0	118.0	0.21	0.019
89-146	272	-45	666.8	Outside of Zone		No Significant Values		

New results from widely spaced sites within the 66 (gold) Zone area are:

66 ZONE

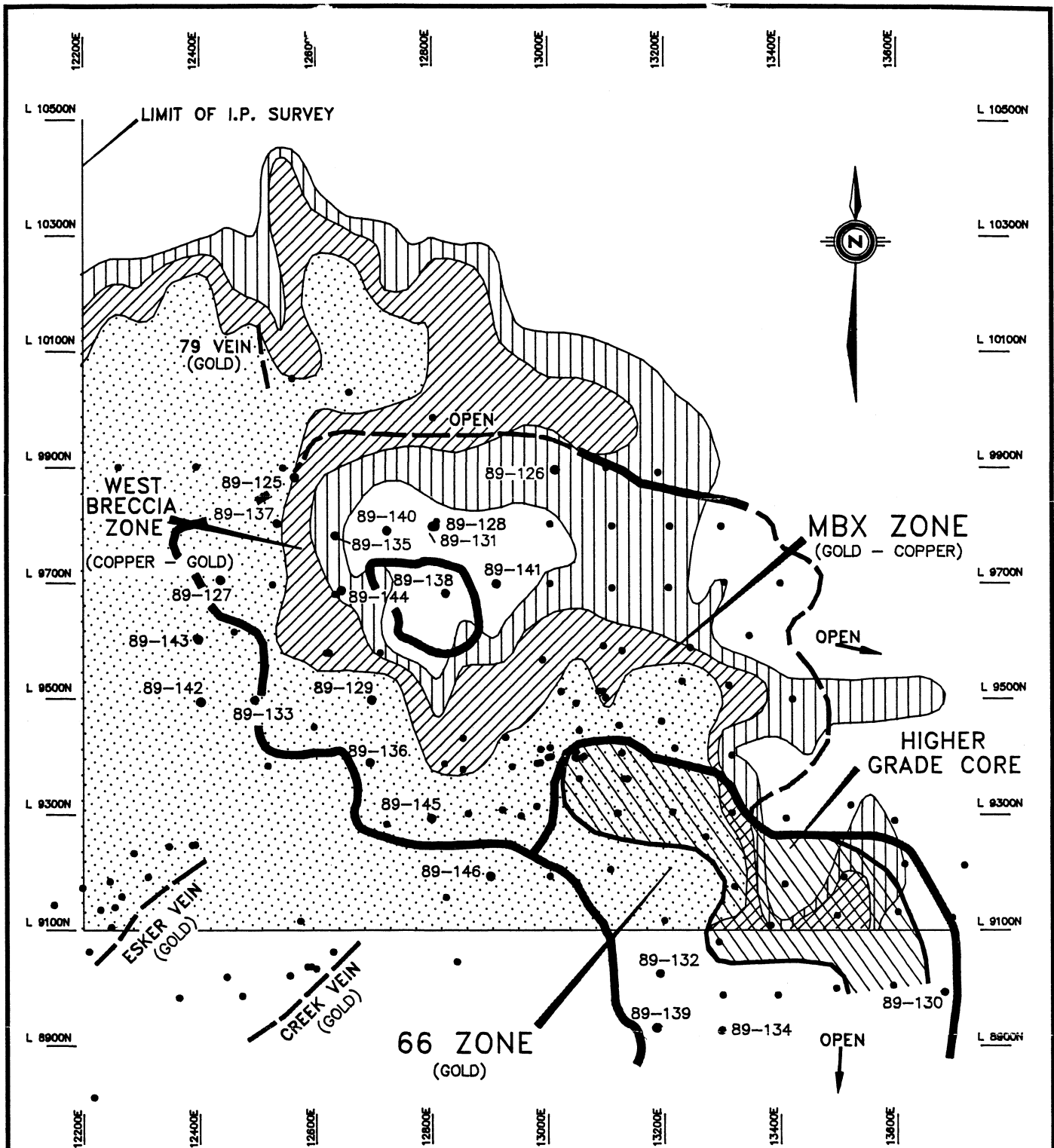
Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-130	266	-44	526.9	234.9	382.5	147.6	0.11	0.012
89-132	257	-48	626.8	118.1	209.9	91.8	0.13	0.017
				411.6	598.6	187.0	0.04	0.049
89-134	262	-45	1036.7	373.9	387.9	13.1	0.09	0.210
				439.5	459.2	19.7	0.26	0.130
				702.6	758.3	55.7	0.01	0.016
89-139	269	-44	795.0	164.0	229.6	65.6	0.04	0.014
				393.6	426.4	32.8	0.03	0.017
				537.9	564.2	26.3	0.03	0.016

ON BEHALF OF THE BOARD







Robert A. Dickinson
President

The Vancouver Stock Exchange has neither approved nor disapproved the information contained herein.



INDUCED POLARIZATION SURVEY
DISSEMINATED SULPHIDE CONTENT

-  HIGH
-  MEDIUM
-  LOW

- 89-146 DRILL HOLE THIS RELEASE
- REPORTED DRILL HOLE
-  BASE OF GOLD - COPPER BLANKET

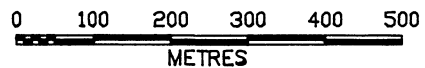


FIGURE 1

CONTINENTAL GOLD CORP
BP RESOURCES CANADA LIMITED

MT. MILLIGAN GOLD-COPPER PROJECT

PLAN
DISSEMINATED SULPHIDE SYSTEM
AND
DIAMOND DRILL COLLARS



N E W S R E L E A S E

August 10, 1989

CONTINENTAL GOLD NAMES NEW DIRECTOR

Mr. Robert G. Hunter, Chairman of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ) announced today the appointment of Mr. Ray W. Ballmer to the Board of Directors of Continental Gold Corp.

Mr. Ray Ballmer is Vice-Chairman and Chief Executive Officer of Rio Algom Limited.

Rio Algom Limited recently announced the purchase of 628,053 shares or 8.6% of Continental Gold Corp. In addition, to purchasing some 573,353 of these Continental Gold shares from Homestake Mining Company, Rio Algom purchased the rights within a June 30, 1988 - Continental Gold Corp. - Homestake Mining Company private placement share purchase agreement which included the right to Board representation and the right to purchase approximately 8% of future Continental Gold Corp. share issuances.

Rio Algom is one of several major mining companies that are closely following developments at Continental Gold's 70% controlled Mt. Milligan gold-copper deposit near Prince George, B.C. Rio Algom is a recognized leader in the operation of large-scale open pit mines and is a partner in Highland Valley Copper which operates Canada's largest open pit base metal mine.

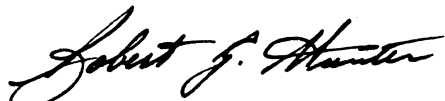
On-going drilling at Mt. Milligan has outlined a world class, disseminated gold-copper deposit. The deposits's geometry and massive reserves make it ideally suited for large-scale open pit development. Prefeasibility projections indicate average annual gold production in the range of 200,000 to 300,000 ounces and average annual copper production in the range of 60,000,000 to 100,000,000 pounds over a 10 to 15 year mine life.

CONTINENTAL GOLD CORP.

Suite 1020 - 800 West Pender St. Vancouver B.C. Canada V6C 2V6
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Continental Gold Corp. has 7,396,114 shares outstanding and trades in Canada on the Vancouver Stock Exchange with symbol CNT and in the United States on NASDAQ with symbol CNTVF.

ON BEHALF OF THE BOARD

A handwritten signature in cursive script, appearing to read "Robert G. Hunter".

Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.



N E W S R E L E A S E

AUGUST 3, 1989

NEW DEPOSIT DISCOVERED AT MT. MILLIGAN

Robert G. Hunter, Chairman of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ) is pleased to announce the results of an exploration hole drilled 2,000 feet southwest of the large scale Mt. Milligan gold-copper deposit.

Hole 89-200 was spotted to test a recently established geophysical anomaly indicating a major sulphide system. The hole assayed:

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-200	271	-46	1044.7	291.9	1044.7	752.8	0.32	0.007
			(including)	547.8	803.6	255.8	0.39	0.009

The hole bottomed in mineralization with the last 6 feet assaying 0.37% copper.

These results indicate the discovery of a major new copper-gold deposit. Further drilling is underway to establish the extent of this zone.

ON BEHALF OF THE BOARD

Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

CONTINENTAL GOLD CORP.

Suite 1020 - 800 West Pender St. Vancouver B.C. Canada V6C 2V6
Tel. 604/684.6365 Fax. 604/684.8092



N E W S R E L E A S E

AUGUST 1, 1989

GRADES RISE - TONNAGE BUILDS AT MT. MILLIGAN

Robert G. Hunter, Chairman of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ) is pleased to announce further diamond drill hole results from the Mt. Milligan Project near Prince George, B.C. The project is a Continental Gold Corp. (70%) - BP Resources Canada Limited (30%) joint venture. Continental Gold Corp. is operator.

Delineation drill holes recently completed within the massive, blanket-shaped Mt. Milligan deposit have returned outstanding gold and gold-copper grades over long core lengths. Notable new results include:

<u>Zone</u>	<u>Hole No.</u>	<u>Intercept (Feet)</u>	<u>Copper %</u>	<u>Gold oz/ton</u>
66	89-184	297.1	0.02	0.107
MBX	89-185	1089.0	0.30	0.011
VEIN	89-192	45.9	0.34	0.325
MBX	89-197	498.6	0.43	0.053
MBX	89-198	531.4	0.44	0.052

Results confirm excellent reserve continuity and indicate a significant upgrading of the deposit's gold content. The deposit measures 4,300 feet long, up to 3,100 feet wide and up to 880 feet thick (Figure 1). Current reserves are in excess of 4,000,000 ounces of gold and 1.2 billion pounds of copper. Deposit geometry is ideally suited for low cost open pit mine development. Engineering studies under the direction of Cominco Engineering Services Limited are now in progress.

In addition, wide spaced drill holes have identified several radiating, high grade gold veins peripheral to the large scale disseminated deposit. A new vein discovery was made by drill hole

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Suite 1020 - 800 West Pender St. Vancouver B.C. Canada V6C 2V6
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89-192 which cut 90.5 feet of 0.191 ounces gold/ton and 0.44% copper. Further work is required to establish continuity of veins on the property.

New results from widely spaced sites in the MBX Zone are:

MBX ZONE

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-178	089	-63	896.8	137.1	528.1	391.0	0.37	0.015
			(including)	137.1	298.5	161.4	0.54	0.024
89-179	088	-47	626.8	150.9	626.8	475.9	0.35	0.017
			(including)	387.0	626.8	239.8	0.55	0.025
89-181	270	-46	1273.3	160.1	724.9	564.8	0.38	0.012
89-182	181	-45	836.7	16.1	98.4	82.3	0.32	0.011
			(including)	551.0	695.4	144.4	0.22	0.009
89-183	090	-70	1117.7	111.9	242.7	130.8	0.68	0.030
89-185	269	-46	1446.8	206.6	1295.6	1089.0	0.30	0.011
89-186	089	-45	1806.5	944.6	1193.9	249.3	0.36	0.032
				1331.7	1745.0	413.3	0.28	0.015
89-188	000	-90	897.8	120.1	164.0	43.9	0.28	0.009
				577.3	770.8	193.5	0.25	0.004
89-190	270	-45	1326.8	1036.5	1292.3	255.8	0.34	0.008
89-191	270	-45	164.0	hole lost				
89-194	270	-45	1226.7	225.0	574.0	349.0	0.40	0.020
				790.5	1066.0	275.5	0.22	0.009
89-196	180	-45	806.8	13.1	357.5	344.4	0.10	0.010
89-197	270	-45	1226.7	84.9	951.2	866.3	0.42	0.036
			(including)	84.9	400.2	315.3	0.47	0.016
				452.6	951.2	498.6	0.43	0.053
89-198	92	-44	1386.8	275.5	1115.2	839.7	0.39	0.039
			(including)	275.5	806.9	531.4	0.44	0.052

192 VEIN ZONE

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-192	266	-47	1386.8 (including)	509.7	600.2	90.5	0.44	0.191
				554.3	600.2	45.9	0.34	0.325

New results from widely spaced sites within the 66 Zone are:

66 ZONE

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-180	267	-46	664.8	249.3	305.0	55.7	0.41	0.008
				370.6	636.3	265.7	0.14	0.046
89-184	268	-45	929.8	558.3	855.4	297.1	0.02	0.107
			(including)	558.3	776.7	218.4	0.03	0.132
89-187	270	-44	102.0	hole lost				
89-189	270	-46	1011.6	no significant values - in intrusive				
89-193	268	-41	605.8	226.3	605.8	379.5	0.16	0.017
			(including)	226.3	488.7	262.4	0.20	0.018
89-195	267	-45	1149.7	633.0	908.6	275.6	0.02	0.012

Drilling with four rigs is continuing. Engineering, environmental and socioeconomic studies are in progress. A recent airborne geophysical survey over the entire 42 square mile property identified many anomalous areas for follow up work. Further, recent ground geophysical surveys south and west of the Mt. Milligan deposit, over broad soil geochemical anomalies, have identified new deposit targets as follows:

1. a 1200 foot southern extension to the 66 gold zone (drill testing in progress)
2. a major sulphide system centered 3,300 feet southwest of the Mt. Milligan deposit (drill testing in progress)
3. a major sulphide system centered 5,500 feet west of the Mt. Milligan deposit (drilling to commence soon)

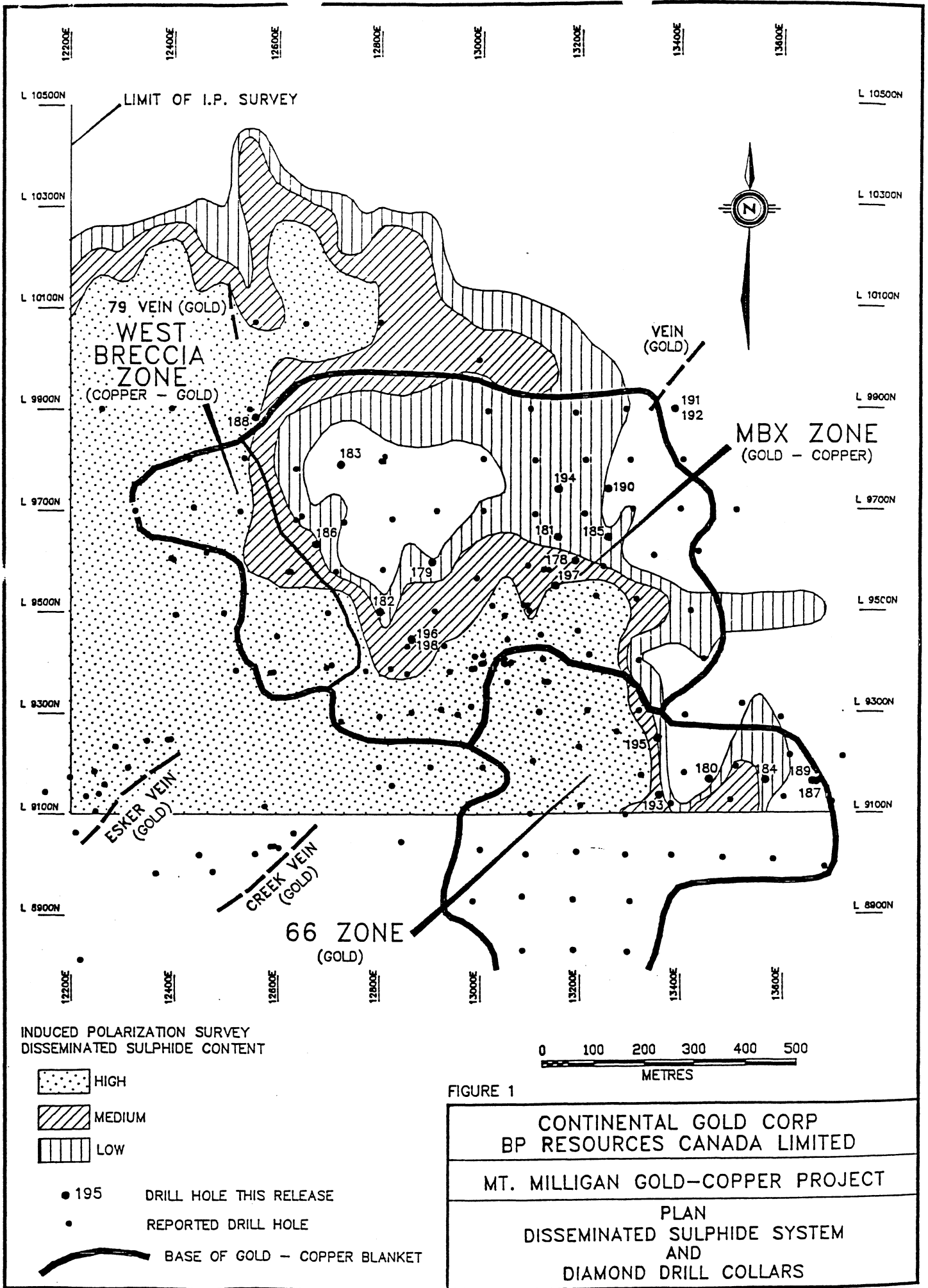
There is no doubt that, although over 160,000 feet of drilling in 210 holes has been completed with a success ratio of over 90% in recent months at Mt. Milligan, exploration of this immense gold-copper system has just begun.

ON BEHALF OF THE BOARD



Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.





N E W S R E L E A S E

AUGUST 21, 1989

IMMENSE SULPHIDE SYSTEM DEFINED

Robert G. Hunter, Chairman of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ) announced today that an Induced Polarization (IP) survey has been completed to the south and west of the Mt. Milligan gold-copper deposit. The Mt. Milligan deposit, where drilling is on-going, has current reserves in excess of 4 million ounces of gold and 1.2 billion pounds of copper.

The IP survey has delineated an extensive oval-shaped sulphide system which stretches over four square miles and is open to the west. (see Figure 1). This immense sulphide system has the scale to produce a bulk tonnage project in the super giant class; such as Bingham, OK Tedi, or Highland Valley.

Exploration drilling of this system, which will continue for several months, is underway. Early indications are positive.

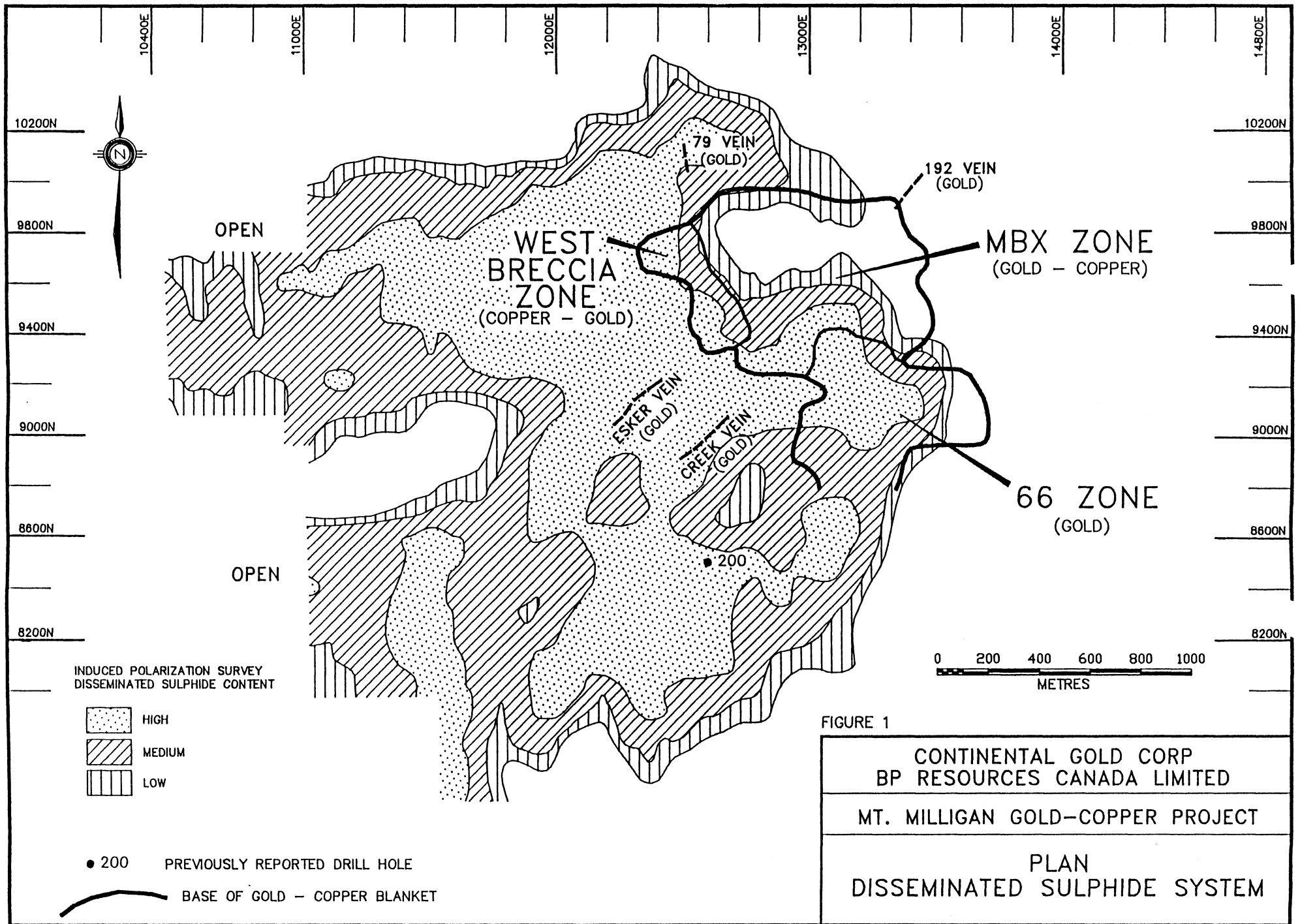
ON BEHALF OF THE BOARD

Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

CONTINENTAL GOLD CORP.

Suite 1020 - 800 West Pender St. Vancouver B.C. Canada V6C 2V6
Tel. 604/684.6365 Fax. 604/684.8092





CONTINENTAL GOLD CORP.
PROGRESS REPORT FOR SHAREHOLDERS

August 1, 1989

LOG NO: AUG 24 1989 VAN 2
ACTION:
<i>JCS</i>
FILE NO: <i>Mt. Milligan</i>

Dear Shareholder:

The Board of Directors and Management of Continental Gold Corp. are pleased to inform shareholders of important new developments affecting your Company.

THE MT. MILLIGAN DISCOVERY

Your Company has recently discovered the world class Mt. Milligan gold-copper deposit near Prince George, B.C. The Project is a 70% Continental Gold Corp. - 30% BP Resources Canada Limited joint venture. Continental is project operator. On-going core drilling, currently in excess of 150,000 feet in 200 holes, has outlined a massive, blanket shaped deposit 4,300 feet long, up to 3,100 feet wide and up to 880 feet thick. The deposit is still open to extension. The Mt. Milligan deposit's geometry and massive reserves make it ideally suited for large-scale open pit mine development. Prefeasibility projections show average annual gold production of 200,000 to 300,000 ounces and average annual copper production of 60,000,000 to 100,000,000 pounds over a 10 to 15 year mine life. At this scale of production Mt. Milligan will rank third in Canadian gold production after Lac Minerals Ltd.'s Page Williams Mine (379,000 oz/year) and Hemlo Gold Mines Inc.'s Golden Giant Mine (337,000 oz/year). Operating costs to produce an ounce of gold will compare favourably with these major mines. Both comparable companies have market capitalizations in the \$1 billion range. Drilling, engineering, environmental and socio-economic studies to support development and permitting of the Mt. Milligan project into production are now in progress.

MAJOR NEW SULPHIDE SYSTEMS DISCOVERED

Ground and airborne geophysical exploration surveys have just been completed over a region south and west of the current deposit area. These surveys have identified at least two new major sulphide systems on the property with response magnitudes similar to that of the massive Mt. Milligan gold-copper deposit. Drills are being moved to these deposit targets.

CONTINENTAL GOLD CORP.

Suite 1020 - 800 West Pender St. Vancouver B.C. Canada V6C 2V6
Tel. 604/684.6365 Fax. 604/684.8092

GOLD AND COPPER GRADES ON THE RISE

Mt. Milligan reserves are currently in the 150-200 million ton range at an average grade for the whole deposit of 0.30% copper and 0.02 ounces gold/ton. Results from an in-fill drill program now underway indicate that average gold and copper grades for the deposit will increase. Recent results from the in-fill program include:

<u>Hole Number</u>	<u>Intercept Length (Feet)</u>	<u>Gold (oz/ton)</u>	<u>Copper (%)</u>
89-184	297.1	0.107	0.02
89-197	498.6	0.053	0.43
89-192	90.5	0.191	0.44

MINING INDUSTRY CLOSELY FOLLOWS DEVELOPMENTS

Mt. Milligan's established infrastructure, massive reserves and excellent metallurgy have placed Continental Gold Corp. in the position of being North America's leading, development stage gold company. This enviable position has resulted in your Company's activities being closely followed by the North American mining industry. The Board of Directors anticipates that this interest will soon lead to the receipt of various proposals which could strongly impact the Company.

RIO ALGOM REACHES AGREEMENT WITH HOMESTAKE MINING COMPANY FOR SHARE PURCHASE

Your company was recently notified by Rio Algom Limited that it had purchased a minority interest in Continental Gold Corp. Rio Algom has purchased 573,353 shares of Continental Gold Corp. at a price of \$8 per share from Homestake Mining Company and bought 54,700 shares of the Company in the open market giving it a total holding of 628,053 shares or 8.6% of Continental Gold.

Rio Algom's purchase of Continental shares from Homestake included an agreement whereby, should Rio Algom or any third party complete a formal bid for shares of Continental Gold Corp., Homestake will receive for a period of nine months, 75% - 100% of the bid price in excess of \$8 per share.

Rio Algom is one of several major mining companies that are closely following developments at Mt. Milligan. Rio Algom, whose parent is RTZ Corporation, is a recognized leader in the operation of large-scale open pit mines and is a partner in Valley Copper which operates Canada's largest open pit base metal mine.

Rio Algom obviously shares management's view that commercial development of Mt. Milligan would strongly impact on the bottom line of even the largest of mining companies. The purchase of Continental Gold's shares by Rio Algom is a signal to management that Rio Algom may continue acquisition of the Company's shares.

FINANCING AT \$9.50 COMPLETED

A recent private placement to NIM and Company at \$9.50 per share netted \$2,000,000. With corporate working capital of over \$3.5 million, the Company is well positioned to advance the Mt. Milligan Project through final feasibility and to a production decision. The Company has also opened discussions with leading Bank, Smelter and Engineering groups with regard to major interim and capital debt financing for the Project. At this stage further dilution to shareholder equity is not anticipated. The Company has 7,300,000 shares issued and outstanding.

INTERNATIONAL TRADE FOLLOWS MT. MILLIGAN PROJECT

The Company is pleased to provide the following information which has been extracted from a feature story on the Company's Mt. Milligan Project. International Mining of London, England recently stated the following:

MT. MILLIGAN, THE GOLDEN CHILD

This recent discovery by Continental Gold (70%) and partner BP Resources Canada Limited (30%) though barely eight months old, is already being hailed as western Canada's largest gold deposit . . .

As further drilling continues, the reserves grow and the production costs fall - some child! When production starts in late 1992 the mine's annual output is expected to be 278,000 oz of gold and 29,000 tonnes of copper. At an estimated copper price of \$1.00/lb. the cash costs for gold production at today's prices will only be \$50/oz. This will make Mt. Milligan the lowest cost gold producer in North America and a leading Canadian gold producer, third only to Lac's Page Williams Mine (379,000 oz/yr) and Hemlo Gold's Golden Giant Mine (337,000 oz/yr). Mt. Milligan will also produce significant copper . . .

In the case of Mt. Milligan the facts speak for themselves. There is a solid and experienced management team, money in the bank, gold in the ground and a host of anxious senior mining companies waiting in the wings for an opportunity to become involved in what can only be described as a bonanza. It is no wonder that Mt. Milligan is the best kept secret to come out of a continent famous for its lack of quiet humility. BRAVO!

Enclosed with this update are a number of press articles and news releases which we hope will help shareholder's appreciate why Management of Continental Gold Corp. is extremely excited about the prospects for your Company.

Should you have any questions or require additional information, we encourage you to contact us. We value your continued support as a shareholder in Continental Gold Corp.



Robert G. Hunter, Chairman



Robert A. Dickinson, President



N E W S R E L E A S E

APRIL 7, 1989

The Board of Directors of Continental Gold Corp. announced today that Richardson Greenshields of Canada Limited has been appointed a financial advisor to the company.

Continental Gold Corp. (70%) with partner BP Resources Canada Limited (30%) has recently discovered the world class Mt. Milligan gold-copper deposit near Prince George, British Columbia. With a current resource containing in excess of 3,000,000 ounces of gold plus significant copper, the project is already western Canada's largest gold deposit. The reserve is wide open to further expansion. Delineation drilling and preliminary engineering for a major open pit gold-copper development are in progress. Successful development of the Project will place Continental Gold Corp. among the largest and lowest cost gold and copper producers in North America.

Mt. Milligan's established infrastructure, massive reserves and excellent metallurgy have placed Continental Gold Corp. in the position of being North America's leading, development stage gold company. This enviable position has attracted the attention of the North American mining industry. The Board of Directors anticipates that this interest will lead to various proposals which could strongly impact the Company.

ON BEHALF OF THE BOARD

Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

CONTINENTAL GOLD CORP.

Suite 1020 - 800 West Pender St. Vancouver B.C. Canada V6C 2V6
Tel. 504/684.6365 Fax. 504/684.8092



NEWS RELEASE

MAY 2, 1989

Robert G. Hunter, Chairman of Continental Gold Corp (CNT:V; CNTVF:NASDAQ) is pleased to announce further diamond drill hole results from the Mt. Milligan Project near Prince George, B.C. The results expand gold-copper reserves dramatically. The Project is a Continental Gold Corp. (70%) - BP Resources Canada Limited (30%) joint venture. Continental Gold Corp is the operator.

New results from widely spaced sites in the MBX (gold-copper) Zone area are:

MBX ZONE

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-112	269	-46	1196.7	242.1	1056.2	814.1	0.37	0.017
				242.1	600.2	358.1	0.45	0.023
89-115	270	-45	1086.7	280.0	1004.7	724.7	0.32	0.019
				280.0	553.7	273.7	0.33	0.030
89-118	270	-45	986.6	136.8	986.6	849.8	Anomalous Values	
89-119	266	-44	1283.1	113.8	131.2	17.4	0.02	0.093
				505.1	629.8	124.7	0.04	0.010
				629.8	872.5	242.7	0.06	0.023
89-120	267	-46	1267.7	628.8	1216.9	588.1	0.48	0.015
				893.8	1067.3	173.5	0.89	0.030
89-122	268	-45	806.9	132.8	806.9	674.1	0.48	0.017
				132.8	545.5	412.7	0.63	0.024
89-123	093	-44	1504.5	78.1	275.5	197.4	0.38	0.009
				692.1	831.2	139.1	0.29	0.010
				916.4	1443.2	526.8	0.38	0.014
89-124	270	-45	986.6	313.9	472.3	158.4	0.15	0.011
				629.8	649.4	19.6	0.50	0.023

CONTINENTAL GOLD CORP.

Suite 1020 - 800 West Pender St. Vancouver B.C. Canada V6C 2V6
Tel. 604/684.6365 Fax. 604/684.8092

LOG NO:	MAY 05 1989
ACTION:	
FILE NO:	169 Mt. Milligan

Results from holes 89-115, 89-120 and 89-122 indicate that the MBX Zone is contiguous with the West Breccia Zone some 1200 feet to the west.

New results from widely spaced sites within the West Breccia (copper-gold) Zone area are:

WEST BRECCIA ZONE

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-110	109	-45	1110.2	286.7	747.8	461.1	0.37	0.006
89-114	94	-45	701.9	20.0	270.9	250.9	0.28	0.010
89-117	266	-48	1054.2	358.2	455.9	97.7	0.24	0.012
				455.9	1016.8	560.9	0.12	0.005
				1016.8	1054.2	37.4	0.39	0.021
89-121	94	-45	916.8	191.9	244.0	52.1	0.45	0.015
				433.0	727.8	294.8	0.25	0.008

New results from widely spaced sites within the 66 (gold) Zone area are:

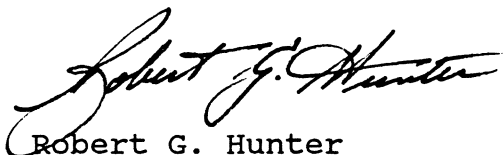
66 ZONE

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-109	271	-44	1036.8	214.8	254.9	40.1	0.08	0.028
				597.0	719.3	122.3	0.01	0.018
89-111	262	-45	425.2	Entire Hole in Fault Zone				
89-113	267	-45	935.8	152.9	229.6	76.7	0.05	0.016
89-116	267	-44	882.7	236.2	275.5	39.3	0.03	0.047
				623.2	806.9	183.7	0.04	0.039

It is now apparent that the MBX, West Breccia and 66 Zones form one contiguous, blanket shaped mineralized body 4000 feet long, up to 2500 feet wide and up to 880 feet thick. Three drills are currently at work expanding on these reserves.

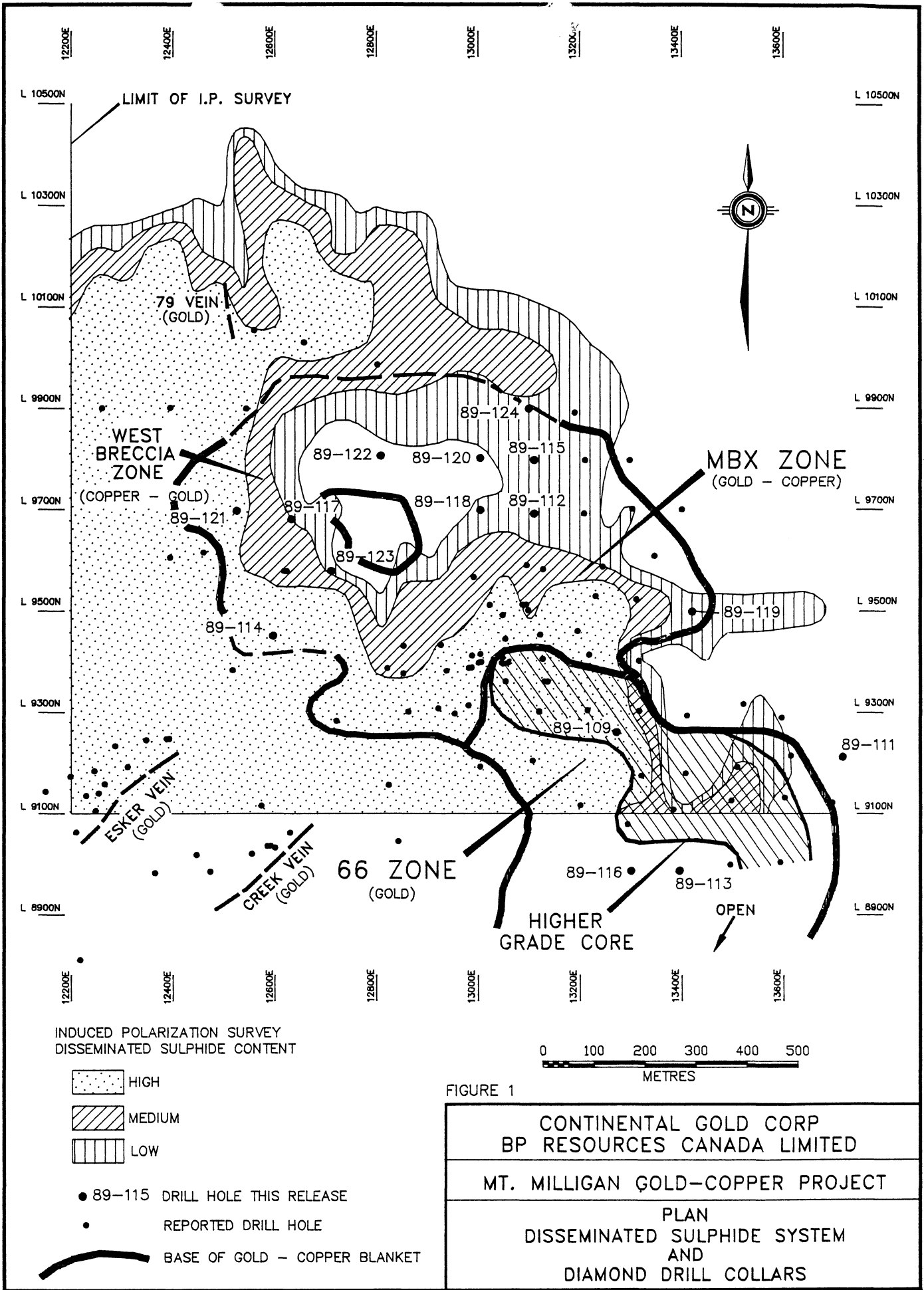
In addition, drill testing of gold-copper soil anomalies extending for 5000 feet south and 5000 feet west of the 66 Zone is planned to begin this month. A fault zone which appears to be a control of the Mt. Milligan mineralization is projected to extend south through this strongly anomalous area.

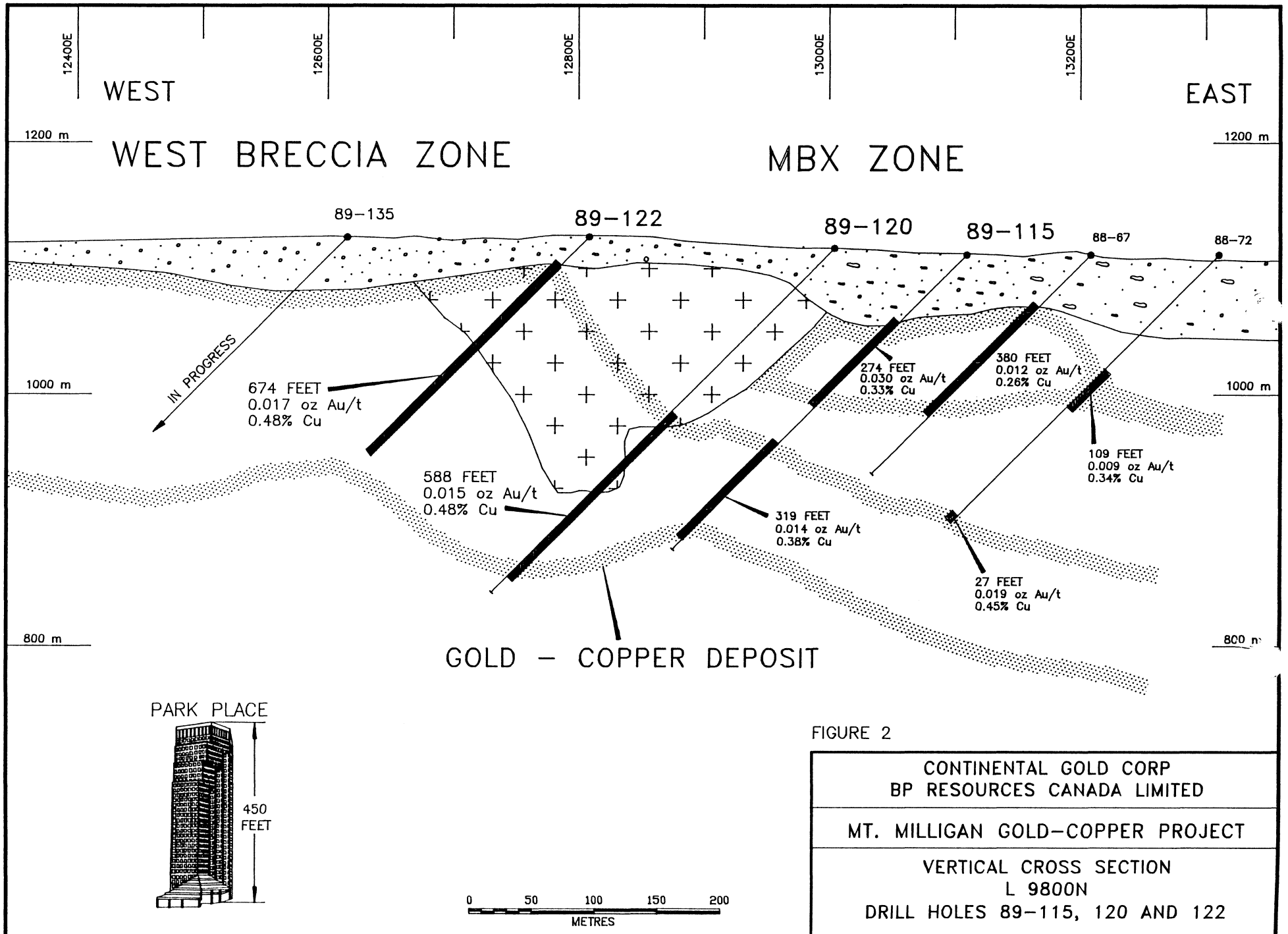
ON BEHALF OF THE BOARD

A handwritten signature in cursive script, reading "Robert G. Hunter".

Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.





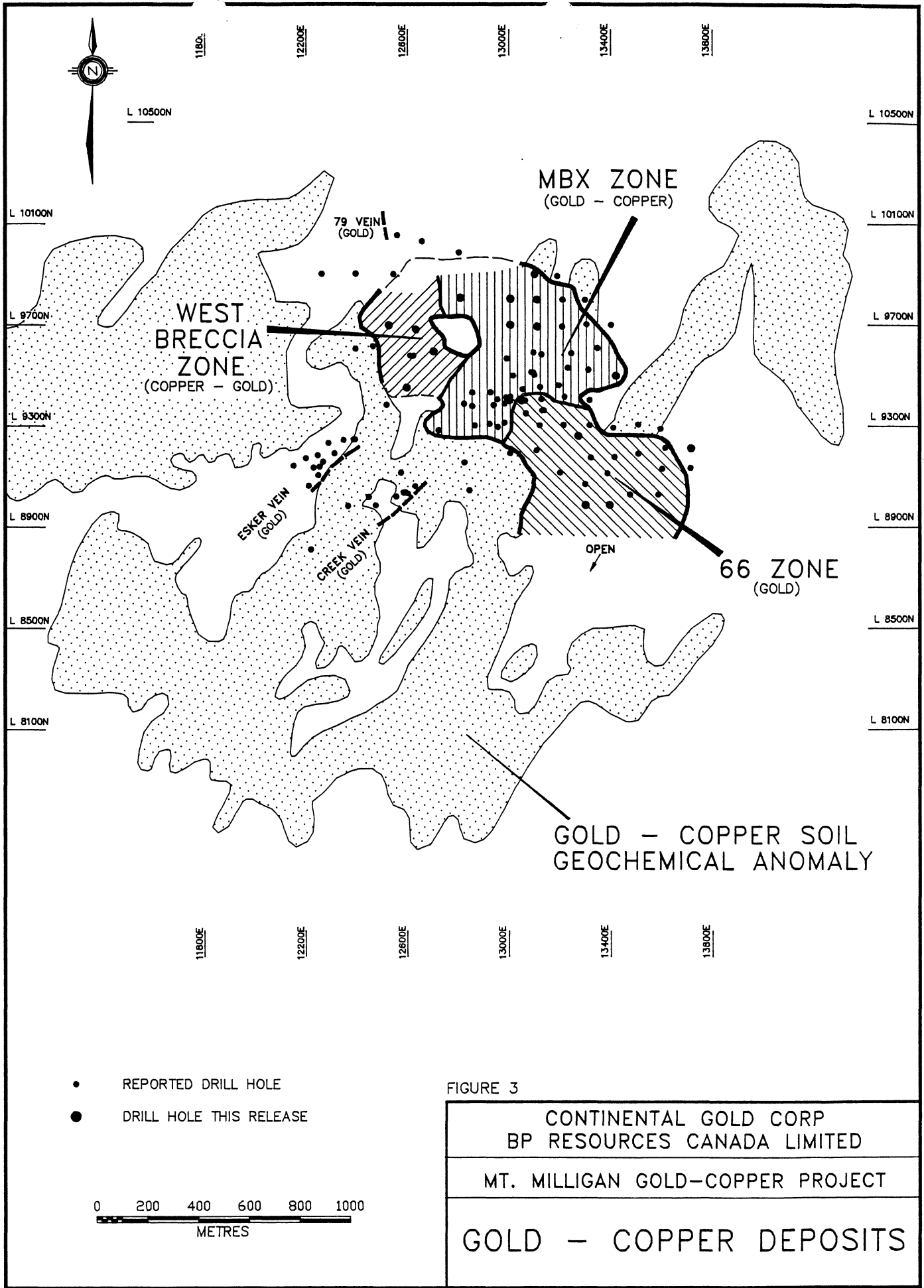


FIGURE 3

CONTINENTAL GOLD CORP BP RESOURCES CANADA LIMITED
MT. MILLIGAN GOLD-COPPER PROJECT
GOLD - COPPER DEPOSITS

Prepared by: RWR Mineral Graphics Ltd.



**CONTINENTAL
GOLD CORP.**

*TGS
(M.) MILLIGAN*

NOVEMBER 18, 1988

NEWS RELEASE

Robert G. Hunter, President of Continental Gold Corp. (VSE:CUG) announced today that its subsidiary (64%) United Lincoln Resources Inc. (VSE:ULN, NASDAQ:ULNMF) has begun a 20,000 foot step-out drill program at its Mt. Milligan Property to delineate the extent of the newly discovered MBX bulk tonnage gold-copper deposit. Results from a recently completed drill program indicate that the Mt. Milligan Project has excellent potential to develop into a 150,000 - 200,000 ounce per year gold mine and in addition produce significant copper.

The Mt. Milligan property is in central British Columbia, 45 km west of Mackenzie and has good road access. Topographic relief and climate are moderate and there are no identified environmental concerns. Electric power, highways and railway services are available in Mackenzie and nearby Fort St. James.

The Mt. Milligan Project is a joint venture between United Lincoln Resources Inc. (70%) and BP Resources Canada Limited (30%). United Lincoln is the operator.

A recently completed reconnaissance drill program at Mt. Milligan discovered the MBX Bulk Tonnage Gold-Copper Deposit in altered volcanic rocks adjacent to an alkaline stock. A preliminary geological inventory based on 31 NQ diamond drill holes indicates an initial reserve in the order of 20 million tons containing over 500,000 ounces of gold plus significant copper. Average gold grades are in the 0.020 - 0.040 oz/ton range with average copper grades in the 0.30 - 0.50% range. A recently completed IP and Magnetic Survey indicates that the MBX Deposit is open to extension in all directions and to depth.

Multiple deposits are suspected. Gold and copper surface geochemical anomalies are extensive throughout the property.

.../2

The Mt. Milligan Property is in a regionally extensive belt where gold and copper-gold deposits are closely associated with alkaline intrusions. Example deposits are:

<u>DEPOSIT</u>	<u>NUMBER OF ZONES</u>	<u>TONS (000,s)</u>	<u>GRADE</u>		<u>STATUS</u>
			<u>%CU</u>	<u>AU oz/ton</u>	
Teck-Afton	3	30,000	1.00	0.014	Mine
Cassiar-Copper Mountain	2	133,000	0.42	0.005	Mine
Placer Dome-QR	3	1,000	-	0.200	Feasibility
Imperial-Caribou Bell	6	128,000	0.31	0.012	Exploration
Cominco-Fish Lake	1	201,000	0.24	0.015	Exploration

The Mt. Milligan property has similar geological characteristics to these deposits with an important difference; Mt. Milligan gold values are significantly higher.

The United Lincoln/BP Resources joint venture has initiated an accelerated development program for the project. The \$1,200,000 program underway will drill indicate the extent of the MBX deposit and complete preliminary metallurgical and engineering studies.

A fast-track program involving infill drilling, bulk sampling, and advanced metallurgical, engineering and environmental studies providing the technical base for a bankable feasibility study is envisioned to follow.

Continued comparable drill results will lead to the development of a leading Canadian gold producer.

ON BEHALF OF THE BOARD



Robert G. Hunter
President

The Vancouver Stock Exchange has neither approved nor disapproved of the information contained herein.



Penny Mining Stock Report

October 1988
Vol. V, No. 12

Stock Recommendation

The following stock recommendation varies somewhat from most of the advice I've been giving of late. Continental is not a junior producer, not a development company, and doesn't even have an ounce of gold drilled off on their main property. The company does, however, have two promoters whose track record suggests that Continental will attain a much higher market profile before their fall drilling program ends. My guess is that higher prices will accompany that higher profile, which is why I'm suggesting you consider it this month:

Continental Gold Corp./CUG.V

Shares Outstanding: 4.0 million
Fully Diluted: 4.8 million
52-week price history: \$4.00/\$1.40
Current (10/7) Price: \$2.40/\$2.45

Continental Gold is notable for its promoters' track records and for its interests in the Trophy and Mt. Milligan gold projects. The Trophy project is located 70 miles southwest of Dease Lake, in northwestern British Columbia, within a gold belt that encompasses projects held by Newhawk Gold/Granduc Mines, Skyline Resources, Delaware Resources/Cominco, and North American Metals (about which more later).

The Trophy ground is 100%-owned by Continental and covers the largest hydrothermal precious metals system in the belt. Mineralized structures of 30 to 50 feet in width and of up to ten miles in length are found on the Trophy project, in an area where six million ounces of gold have recently been discovered on nearby properties. This area has emerged as the foremost gold belt in western Canada and, even after allowing for the conceptual status of their holdings, Continental appears attractive based on any relative project valuation.

Although there are more unknowns surrounding Continental's property, I believe that the company's low market capitalization, 100% ownership, and management's track record greatly mitigate these risks. So too does Continental management's experience in the area: they are credited with the development of the Golden Bear deposit, currently held by North American Metals and Chevron Resources.

In addition to the Trophy project, Continental controls United Lincoln Resources, and has the option to subscribe for up to 74% of the outstanding shares. United Lincoln (formerly Lincoln Resources, a high flyer in the '79-'80 bull market) has a joint-venture with B.P. Resources Canada Ltd.

on the Mt. Milligan project, northeast of Fort St. James, B.C. A total of 6,000 feet of drilling has been completed, and given the bulk-tonnage nature of the deposit, management is optimistic that the project will support a positive production decision.

	Newhawk	Skyline	Delaware	N. Amer.Cont.	Gold
Project Interest	60%	100%	40%	50%	100%
Status	Feasibility	Production	Feasibility	Construction	Drilling
Portion of Current Project Reserve (oz.)	720,000	700,000	400,000	300,000	-
Portion of Est. Annual Production (oz.)	72,000	50,000	68,000	32,000	-
Recent Share Price	\$6.00	\$12.00	\$13.00	\$5.00	\$3.00
Shares Issued Fully Diluted	11,000,000	9,600,000	8,500,000	8,000,000	3,800,000
Company Market Capitalization	\$66 Mil.	\$115 Mil.	\$110 Mil.	\$40 Mil.	\$11 Mil.
Total Project Market Capitalization	\$110 Mil.	\$115 Mil.	\$275 Mil.	\$80 Mil.	\$11 Mil.
Market Capitalization Per Ounce of Est. Annual Production	\$900	\$2,300	\$1,600	\$1,250	-

Based on management's model of a 60 million ton open pit deposit averaging 0.035 oz. gold/ton and 0.35% copper, initial projections indicate a 15,000 ton-per-day operation that would produce in excess of 125,000 ounces of gold annually. The nature of the deposit is such that a high probability can be attached to the drilling done to date, and a further 25,000 foot drilling program is scheduled to begin next month.

Continental has \$4,000,000 in the bank, the result of a private placement with European banks and Homestake Mining Company. Homestake currently holds 13% of Continental and discussions are underway to raise their ownership to 20%. Continental management is headed up by the team of Robert Hunter and Robert Dickinson. Mr. Hunter is also chairman of Breakwater Resources and, with Mr. Dickinson, was instrumental in the development of North American Metals. The team's track record for successful project acquisition and development is an overwhelming factor in my decision to recommend Continental Gold at this time. Their eye for projects is keen, their ability to finance is unquestioned, and their market savvy—and near-term drilling program—assures a high market profile for Continental shares.

Reprinted By Permission: Written and Published by R.M. Bishop. Annual subscriptions are (US) \$139, 6 Month Trial \$69. Penny Mining Stock Report, P.O. Box 1217, Lafayette, CA, 94549. (415) 283-4848.

CONTINENTAL GOLD CORP.
1020-800 W. PENDER STREET
VANCOUVER, B.C.
V6C 2V6

UNITED LINCOLN RESOURCES INC.
1020-800 W. PENDER STREET
VANCOUVER, B.C.
V6C 2V6

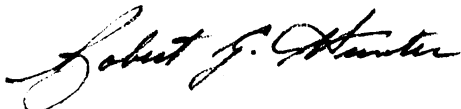
NOVEMBER 18, 1988

JOINT NEWS RELEASE

Continental Gold Corp. (CUG:V) and its subsidiary, United Lincoln Resources Inc. (ULN:V), wish to announce that an agreement has been reached for a further equity purchase by Continental in the capital of United Lincoln. The parties have agreed, subject to the usual regulatory approvals, that Continental shall purchase 1,000,000 flow-through Units in the capital of United Lincoln at a price of \$1.60 per Unit. Each Unit will consist of one (1) flow-through common share plus a two year share purchase warrant exercisable at the price of \$1.60 per share for the first year after closing and at the price of \$1.84 per share for the second year after closing. Under the terms of the agreement Continental shall be entitled to the income tax benefits, including rebates, pertaining to the Canadian Exploration Expenses which will be incurred by United Lincoln on its Mt. Milligan project employing the Continental funds.

The Companies wish to further advise of the granting of management incentive stock options permitting the recipients thereof to purchase 374,600 shares of United Lincoln at a price of \$2.00 per share and 25,000 shares of Continental at a price of \$3.00 per share for a two (2) year period to coincide with the closing of the above private placement.

ON BEHALF OF THE BOARD



Robert G. Hunter
President

The Vancouver Stock Exchange has neither approved nor disapproved the contents of this news release.

CONTINENTAL GOLD CORP.

EXECUTIVE SUMMARY

TELEGRAPH CREEK GOLD PROJECT

N.T.S. 104F AND 104G

Trophy Gold Project

Dokdaon Creek Project

Devils Elbow Project

Rugged Mountain Project

Chutine River Project

Barrington River Project

Liard Mining Division

Northwestern British Columbia

by

DOUGLAS B. FORSTER, M.Sc.

October 15, 1988

SECTION 1.0**INTRODUCTION**

Continental Gold Corp.'s Telegraph Creek Gold Project is the largest, most strategically located precious metals land position in the entire 12,000 square mile Telegraph and Sumdum map sheets (N.T.S. 104F and 104G). Encompassing 75 mineral claims, totalling 1,289 units (116 square miles), Continental's Telegraph Creek Gold Project claims are located in northwestern British Columbia, along the northern extension of the gold belt which hosts the Stewart, Iskut River, and Sulphurets Creek Gold Camps. The project consists of one drill stage gold property (the Trophy Gold Project) and five early stage precious metal plays (Figure 1).

In early 1987, Directors and Senior Officers of Continental Gold Corp., fresh off their successes as Managers of North American Metal Corp.'s Golden Bear mine development in northwest, B.C., decided to begin a search for North American Metals - Iskut river type structurally-controlled precious metal deposits. The Telegraph Creek (N.T.S. 104G) map sheet was chosen, as this region represented a major exploration gap, a region of relative gold exploration quiescence, as compared with the frantic, high profile precious metal exploration being conducted both north and south of this region in the Iskut River and North American Metals' Gold Camps. The Trophy Gold Project precious metal discovery resulted from a grass roots regional exploration program conducted by

UNITED LINCOLN RESOURCES INC.

NOVEMBER 25, 1988

NEWS RELEASE

CROSS-SECTIONS RELEASED FOR NEW BULK TONNAGE GOLD-COPPER DEPOSIT DISCOVERY

Robert A. Dickinson, President of United Lincoln Resources Inc. (VSE:ULN, NASDAQ:ULNNF) today released drill hole plan and cross-sections of drill holes announced on November 18, 1988 (see attached). These results are from a recently completed 31 hole reconnaissance drill program which discovered the bulk tonnage MBX gold-copper deposit. Results indicate a preliminary geological inventory in the order of 20 million tons containing over 500,000 ounces of gold plus significant copper. A recently completed IP geophysical survey over the area has confirmed that the deposit is open to extension in all directions. Most holes bottom in gold-copper mineralization.

A 20,000 foot step out drill program is now in progress to delineate the extent of the MBX deposit. Continued comparable drill results could lead to the development of 150,000 - 200,000 ounce per year gold mine and in addition produce significant copper.

Multiple deposits are suspected. Gold and copper surface geochemical anomalies are extensive throughout the property.

The Mt. Milligan Project is a joint venture between United Lincoln Resources Inc. (69.84%) and BP Resources Canada Limited (30.16%). Continental Gold Corp. (VSE:CUG) controls a 69% shareholding of United Lincoln Resources Inc.

ON BEHALF OF THE BOARD

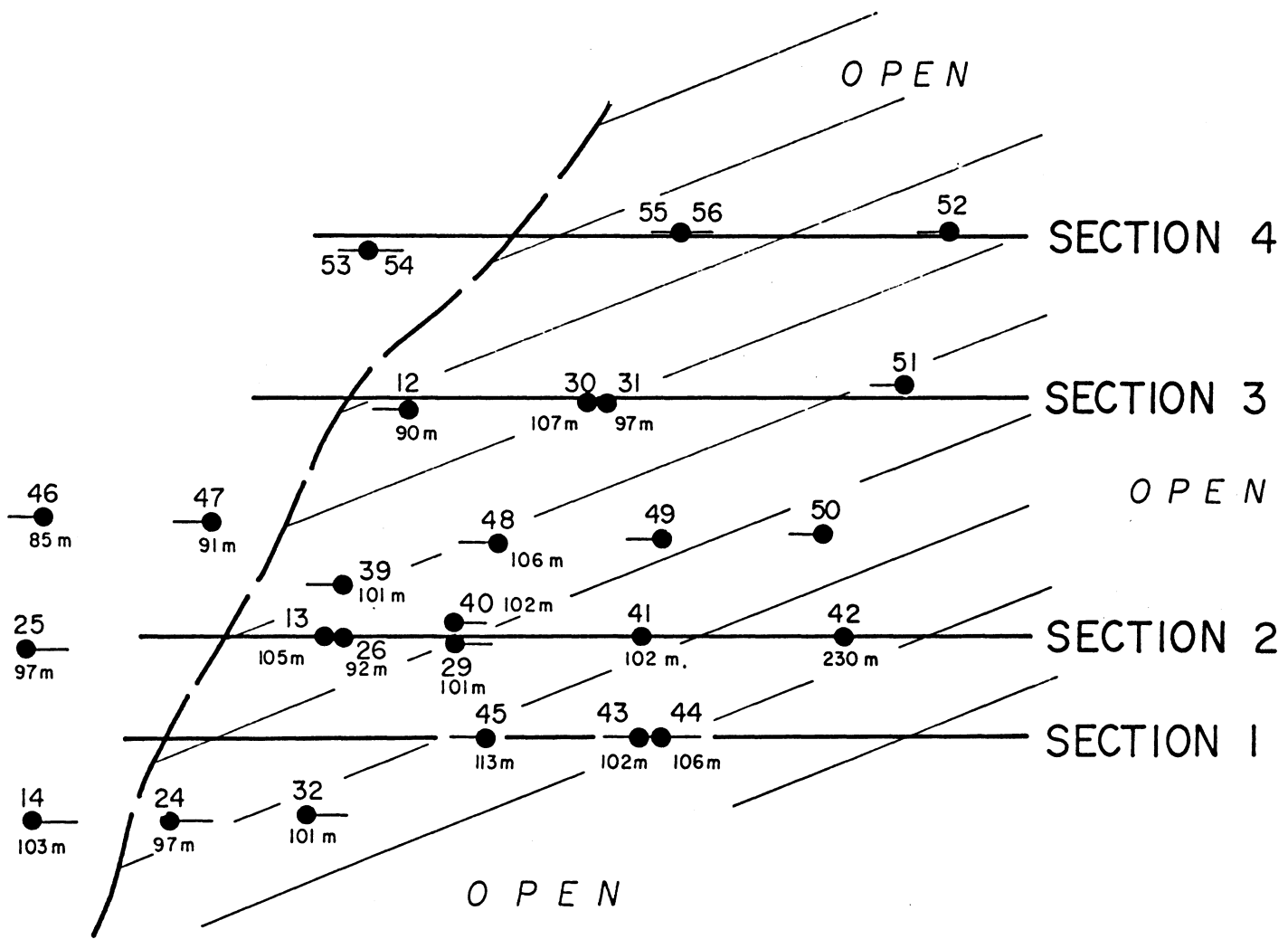


Robert A. Dickinson
President

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

WEST

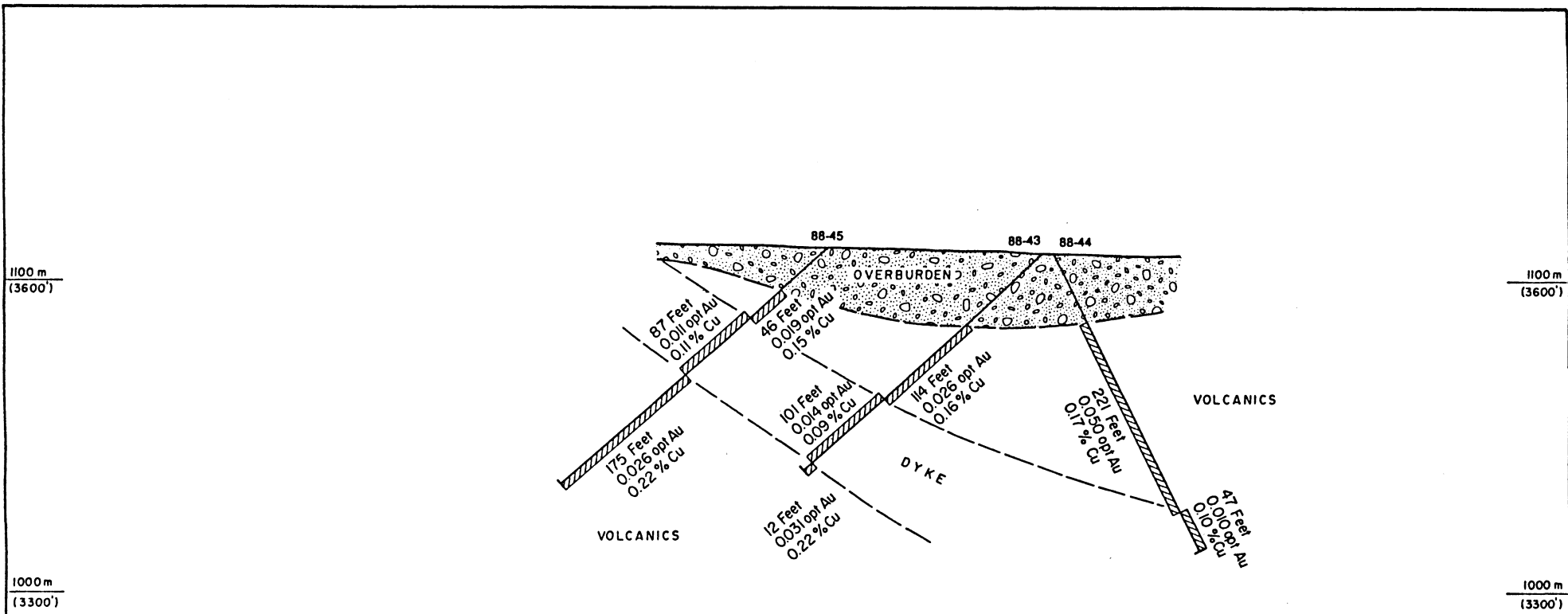
EAST



● COMPLETED HOLES TO NOV. 1, 1988



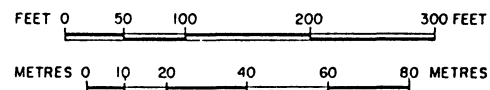
UNITED LINCOLN RESOURCES INC.			
MT. MILLIGAN GOLD/COPPER PROJECT			
MBX DRILL LOCATIONS			
Drawn.	JW.	Date.	Oct. 1988
Scale.	As shown		FIG. 1



UNITED LINCOLN
RESOURCES INC.

MT. MILLIGAN PROJECT

SECTION 1



DRAWN

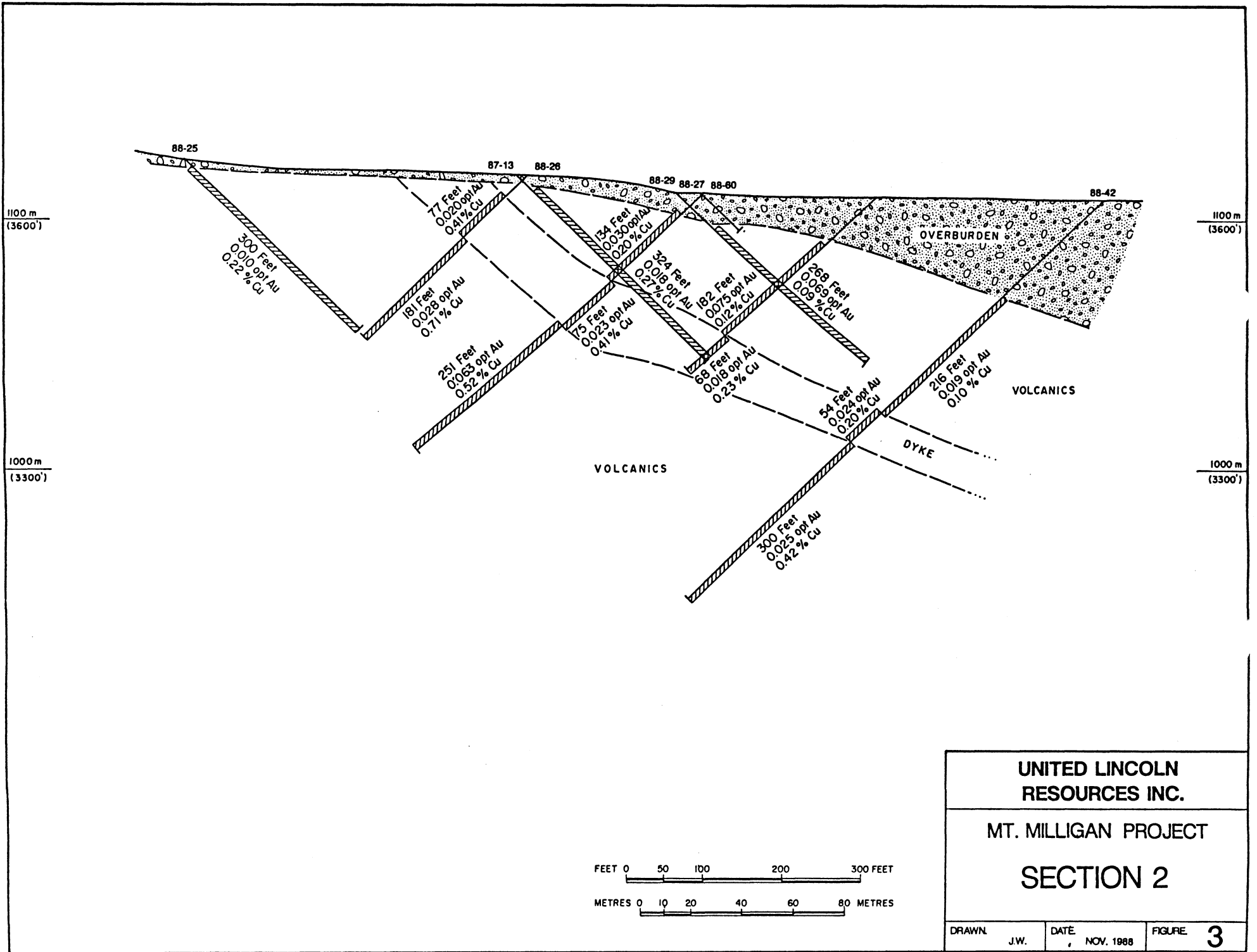
J.W.

DATE

NOV. 1988

FIGURE

2



UNITED LINCOLN
RESOURCES INC.

MT. MILLIGAN PROJECT

SECTION 2

DRAWN

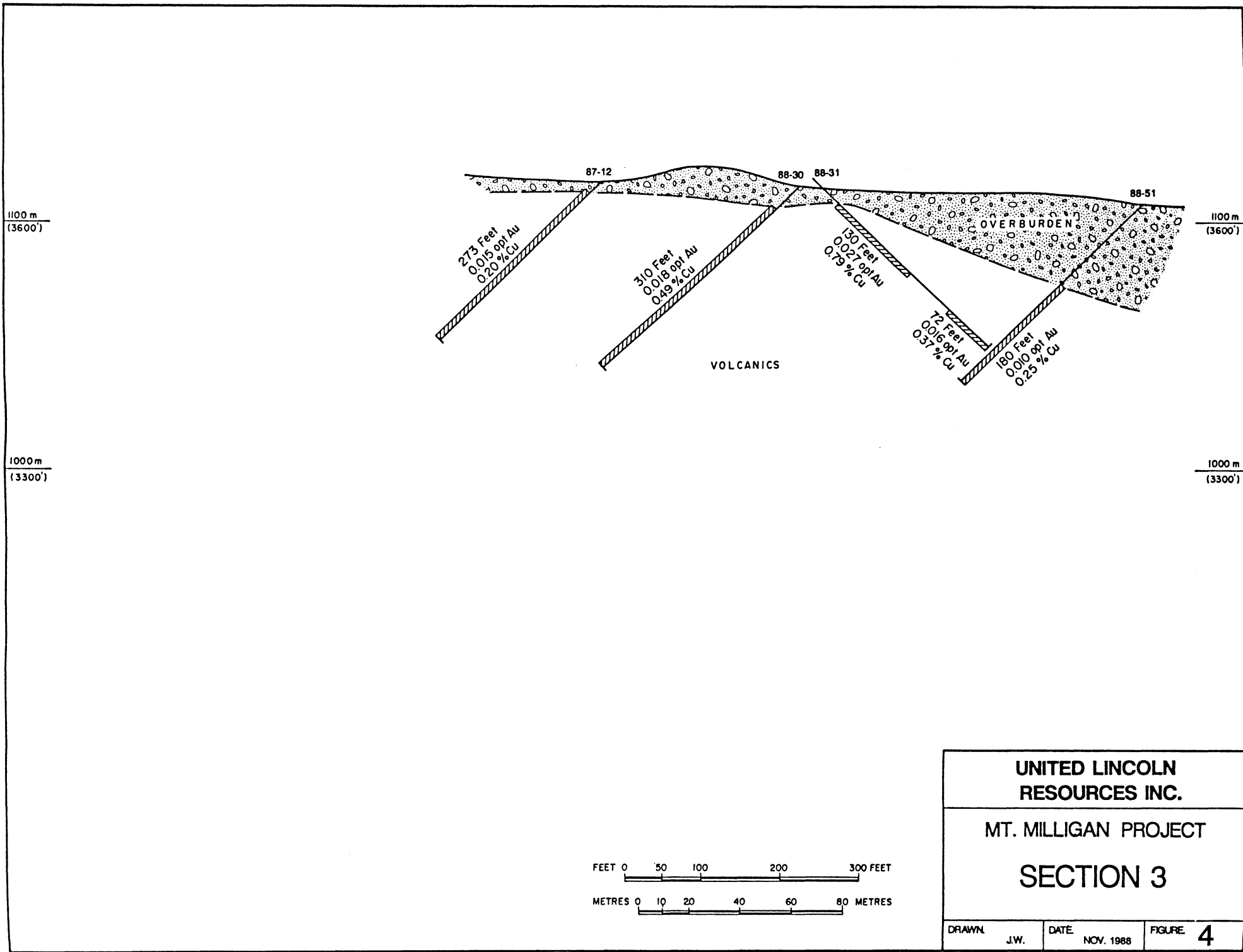
J.W.

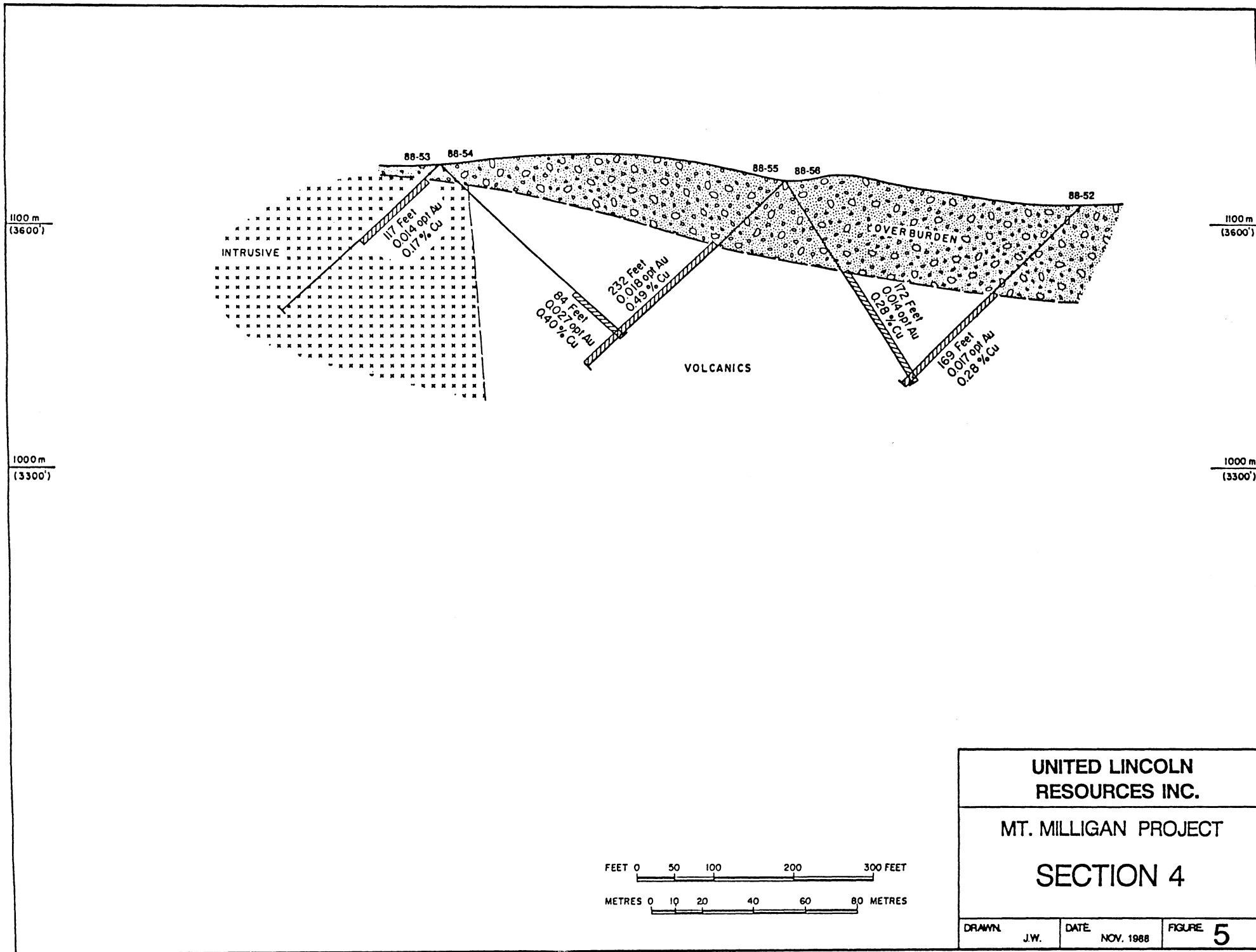
DATE

, NOV. 1988

FIGURE

3





UNITED LINCOLN RESOURCES INC.

NOVEMBER 18, 1988

NEWS RELEASE

Robert A. Dickinson, President of United Lincoln Resources Inc. (VSE:ULN, NASDAQ:ULNNF) announced today that a 20,000 foot step-out drill program utilizing two drill rigs has begun at the Mt. Milligan Property in central British Columbia 45 kilometres west of Mackenzie. The Project is a joint venture between the Company (69.84%) and BP Resources Canada Limited (30.16%) with United Lincoln as operator. The \$1,200,000 program is designed to delineate the extent of the MBX Bulk Tonnage Gold-Copper Deposit and complete preliminary metallurgical and engineering studies.

A recently completed reconnaissance drill program at Mt. Milligan discovered the MBX gold-copper deposit in altered volcanic rocks adjacent to an alkaline stock. In a report dated September 30, 1988 the Company's consultant - Rebagliati Geological Consulting Ltd. - advised the Company that the MBX zone has significant potential to host a major porphyry gold-copper deposit. A preliminary geological inventory based on 31 NQ diamond drill holes indicates initial reserves in the order of 20,000,000 tons containing over 500,000 ounces of gold plus significant copper. Average gold grades are in the 0.02 - 0.04 ounces per ton range with average copper grades in the 0.30 - 0.50% range.

A follow-up IP and Magnetic survey completed during late October, has confirmed a bulk tonnage configuration for the MBX deposit. The deposit is open to extension in all directions and most holes bottom in gold-copper mineralization. The current drill program calls for holes to be drilled on 100 metre step-outs from the initial reserve area.

.../2

Results recently compiled from the 31 holes in the MBX deposit area are as follows:

<u>HOLE</u>	<u>INTERVAL (feet)</u>	<u>LENGTH (feet)</u>	<u>CU %</u>	<u>AU oz/ton</u>
DDH 87-12	18.0 - 290.7	272.7	0.20	0.015
DDH 87-13	20.0 - 344.4	324.4	0.27	0.018
DDH 87-14	16.1 - 45.9 324.7 - 337.2	29.8 12.5	0.23 0.12	0.009 0.038
DDH 88-24	44.3 - 328.0	283.7	0.26	0.015
DDH 88-25	18.0 - 317.8	299.8	0.22	0.010
DDH 88-26 (including)	20.0 - 300.1 20.0 - 42.6 42.6 - 119.4 119.4 - 300.1	280.1 22.6 76.8 180.7	0.62 0.66 0.41 0.71	0.025 0.014 0.020 0.028
DDH 88-27	lost in overburden			
DDH 88-29	62.0 - 329.9	267.9	0.09	0.069
DDH 88-30 (including)	40.0 - 349.9 40.0 - 98.4 98.4 - 349.9	309.9 58.4 251.5	0.49 0.34 0.52	0.018 0.011 0.020
DDH 88-31	44.3 - 173.8 173.8 - 244.7 244.7 - 316.5	129.5 70.9 71.8	0.79 post mineral dyke 0.37	0.027 0.016
DDH 88-32 (including)	24.0 - 329.9 24.0 - 180.4 180.4 - 329.9	305.9 156.4 149.5	0.13 0.13 0.13	0.012 0.007 0.017
DDH 88-39 (including)	14.8 - 328.0 14.8 - 123.0 123.0 - 226.3 226.3 - 262.4 262.4 - 328.0	313.2 108.2 103.3 36.1 65.6	0.43 0.51 0.36 post mineral dyke 0.62	0.015 0.024 0.020 0.031
DDH 88-40	51.0 - 336.1	285.1	0.19	0.077

(Cont'd)

<u>HOLE</u>	<u>INTERVAL</u> <u>(feet)</u>	<u>LENGTH</u> <u>(feet)</u>	<u>CU</u> <u>%</u>	<u>AU</u> <u>oz/ton</u>
DDH 88-41 (including)	84.0 - 334.1	250.1	0.15	0.059
	84.0 - 266.3	182.3	0.12	0.075
	266.3 - 334.1	67.8	0.23	0.018
DDH 88-42 (including)	185.1 - 755.3	570.2	0.28	0.023
	185.1 - 400.8	215.7	0.10	0.019
	400.8 - 455.2	54.4	0.20	0.024
	455.2 - 755.3	300.1	0.42	0.025
DDH 88-43 (including)	108.0 - 335.2	227.2	0.13	0.021
	108.0 - 222.0	114.0	0.16	0.026
	222.0 - 323.3	101.3	0.09	0.014
	323.3 - 335.2	11.9	0.22	0.031
DDH 88-44 (including)	80.0 - 347.2	267.2	0.16	0.043
	80.0 - 300.5	220.5	0.17	0.050
	300.5 - 347.2	46.7	0.10	0.010
DDH 88-45 (including)	64.0 - 372.0	308.0	0.18	0.021
	64.0 - 110.0	46.0	0.15	0.019
	110.0 - 197.3	87.3	0.11	0.011
	197.3 - 372.0	174.7	0.22	0.026
DDH 88-46	14.0 - 280.1	266.1	0.11	0.008
DDH 88-47	10.0 - 295.2	285.2	0.10	0.010
DDH 88-48 (including)	55.0 - 348.1	293.1	0.41	0.022
	55.0 - 183.9	128.9	0.30	0.024
	183.9 - 260.0	76.1	0.45	0.020
	260.0 - 348.1	88.1	0.55	0.020
DDH 88-49 (including)	65.0 - 336.5	271.5	0.35	0.017
	65.0 - 298.8	233.8	0.38	0.018
	298.8 - 336.5	37.7	0.19	0.012
DDH 88-50	134.1 - 493.2	359.2	0.35	0.023
DDH 88-51	151.1 - 331.2	180.1	0.25	0.010
DDH 88-52	165.2 - 334.1	168.9	0.28	0.017
DDH 88-53	26.2 - 142.7	116.5	0.17	0.014

(Cont'd)

<u>HOLE</u>	<u>INTERVAL</u> <u>(feet)</u>	<u>LENGTH</u> <u>(feet)</u>	<u>CU</u> <u>%</u>	<u>AU</u> <u>oz/ton</u>
DDH 88-54	241.1 - 324.7	83.6	0.40	0.027
DDH 88-55	123.1 - 355.2	232.1	0.49	0.018
DDH 88-56	143.0 - 315.1	172.1	0.28	0.014
DDH 88-60	43.0 - 503.0	460.0	0.36	0.047
(including)	43.0 - 177.1	134.1	0.20	0.030
	177.1 - 252.5	75.4	0.41	0.023
	252.5 - 503.0	250.5	0.52	0.063

Continued comparable drill results should lead to the development of a leading Canadian gold mine which will in addition produce significant copper.

A fast track program involving infill drilling, bulk sampling, and advanced metallurgical, engineering and environmental studies to provide the technical base for a bankable feasibility study is envisioned to follow the current program.

ON BEHALF OF THE BOARD



Robert A. Dickinson
President

The Vancouver Stock Exchange has neither approved nor disapproved the information contained herein.

**THE MT. MILLIGAN BULK TONNAGE
GOLD-COPPER PROJECT**

**A POTENTIAL
LEADING CANADIAN GOLD PRODUCER**

**UNITED LINCOLN RESOURCES INC.
A Subsidiary of
CONTINENTAL GOLD CORP.**

OCTOBER, 1988

INTRODUCTION

The Mt. Milligan deposit is a newly discovered bulk tonnage gold-copper deposit in central British Columbia. In order to control development of Mt. Milligan, Continental Gold Corp (VSE:CUG) has acquired a 69% controlling interest in United Lincoln Resources Inc. (VSE:ULN, NASDAQ:ULNNF) Recent drill program results indicate that the Mt. Milligan Project has excellent potential to develop into a 150,000 oz - 200,000 oz per year gold mine and in addition produce significant copper.

LOCATION

The Mt. Milligan property is in central British Columbia, 45 km west of MacKenzie and has good road access. Topographic relief and climate are moderate and there are no identified environmental concerns. Electric power, highways and railway services are available in Mackenzie and nearby Fort St. James. (See Figure 1).

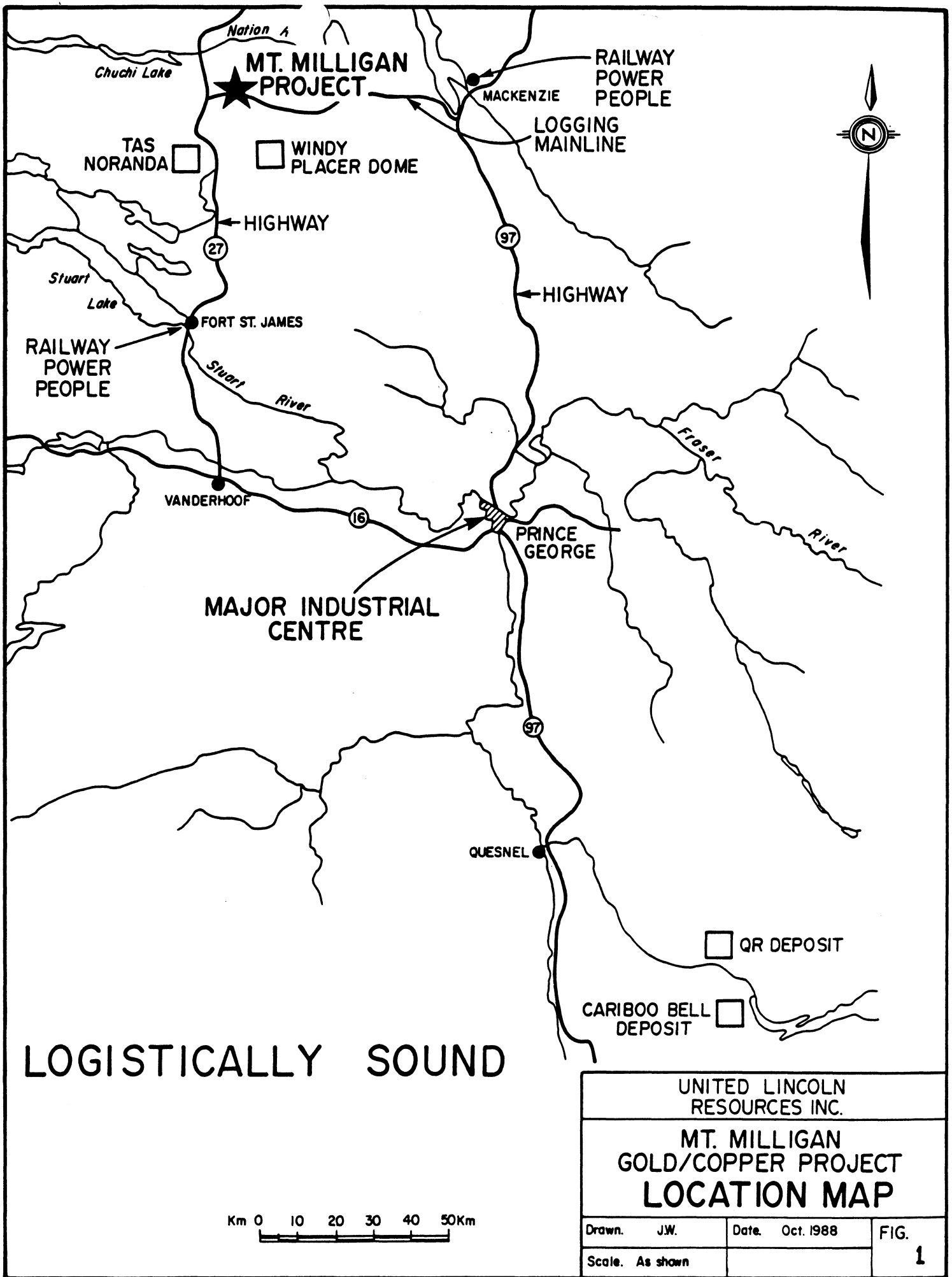
OWNERSHIP

The Mt. Milligan Project is a joint venture between United Lincoln Resources Inc. (70%) and BP Canada Resources Limited (30%). United Lincoln is the operator.

PROJECT SCOPE

The Mt. Milligan Property is in a regionally extensive belt where gold and copper-gold deposits are closely associated with alkaline intrusions (See Figure 2). Example deposits are:

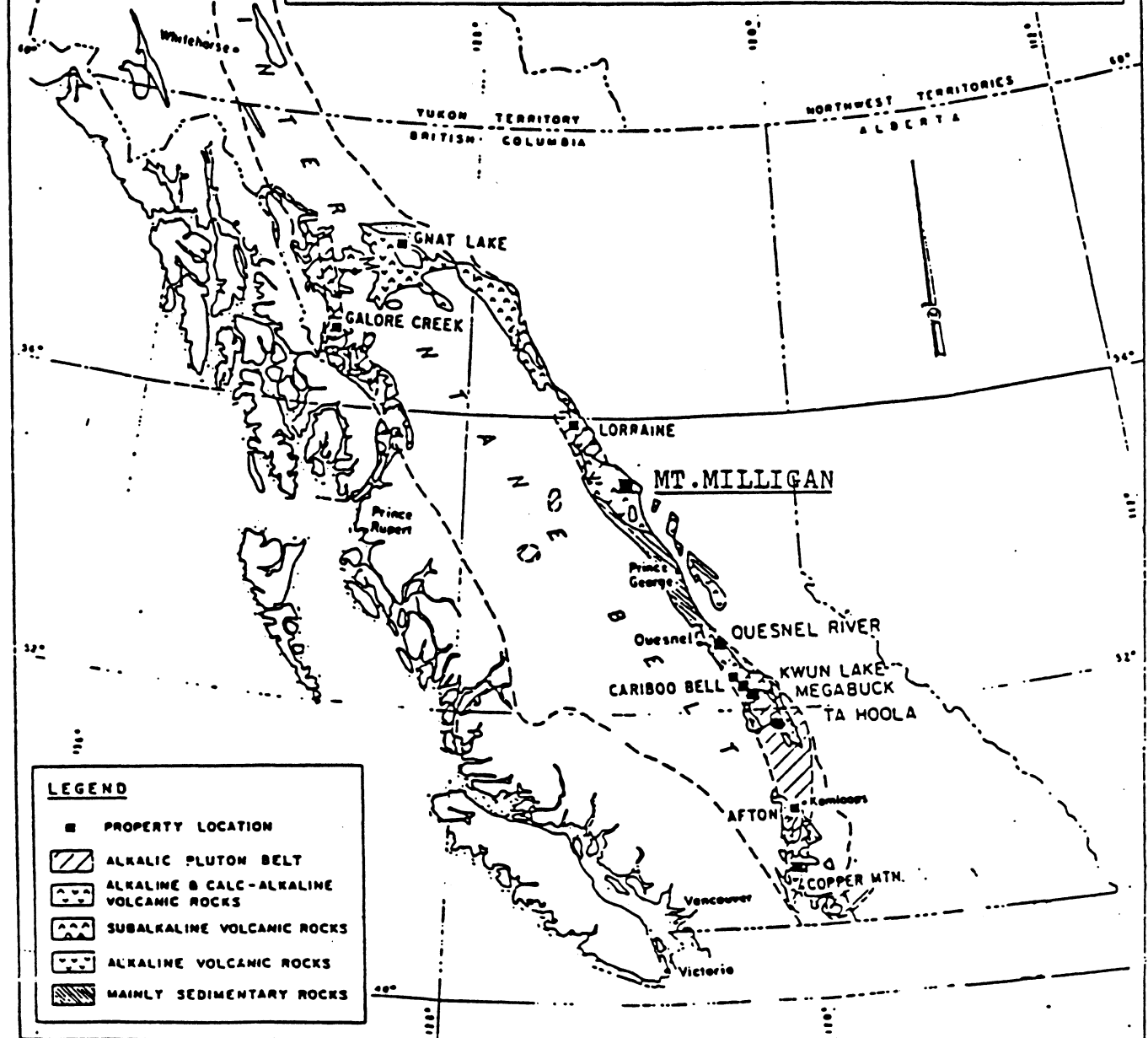
<u>DEPOSIT</u>	<u>NUMBER OF ZONES</u>	<u>TONS (000,s)</u>	<u>%CU</u>	<u>GRADE AU oz/ton</u>	<u>STATUS</u>
Teck-Afton	3	30,000	1.00	0.014	Mine
Cassiar-Copper Mountain	2	133,000	0.42	0.005	Mine
Placer Dome-QR	3	1,000	-	0.200	Feasibility
Imperial-Caribou Bell	6	128,000	0.31	0.012	Exploration
Cominco-Fish Lake	1	201,000	0.24	0.015	Exploration



LOGISTICALLY SOUND

UNITED LINCOLN RESOURCES INC.		
MT. MILLIGAN GOLD/COPPER PROJECT LOCATION MAP		
Drawn. J.W.	Date. Oct. 1988	FIG.
Scale. As shown		1

**UPPER TRIASSIC AND LOWER JURASSIC VOLCANIC ROCKS,
SIGNIFICANT COPPER DEPOSITS, AND ASSOCIATED
ALKALIC PLUTONS IN THE CANADIAN CORDILLERA**



LEGEND

- PROPERTY LOCATION
- ▨ ALKALIC PLUTON BELT
- ▤ ALKALINE & CALC-ALKALINE VOLCANIC ROCKS
- ▥ SUBALKALINE VOLCANIC ROCKS
- ▦ ALKALINE VOLCANIC ROCKS
- ▧ MAINLY SEDIMENTARY ROCKS

FIGURE 1 — Upper Triassic and Lower Jurassic volcanic rocks, significant copper deposits and associated alkalic plutons in the Canadian Cordillera.

UNITED LINCOLN RESOURCES INC.		
MT. MILLIGAN GOLD/COPPER PROJECT REGIONAL GEOLOGY		
Drawn. J.W.	Date. Oct. 1988	FIG. 2
Scale. As shown		

The Mt. Milligan property has similar geological characteristics to these deposits with an important difference; Mt. Milligan gold values are significantly higher.

World class examples of the Mt. Milligan type gold-copper deposit are:

<u>DEPOSIT</u>	<u>ZONE</u>	<u>TONS</u>	<u>GRADE</u>	
			<u>CU%</u>	<u>AU OZ/TON</u>
Ok Tedi (Papua New Guinea)	1.	30,000,000	1.86	0.026
	2.	371,000,000	0.81	0.017
Battle Mountain (Nevada)	1.	11,300,000	-	0.203
	2.	4,000,000	0.79	0.025
	3.	13,900,000	0.79	0.025

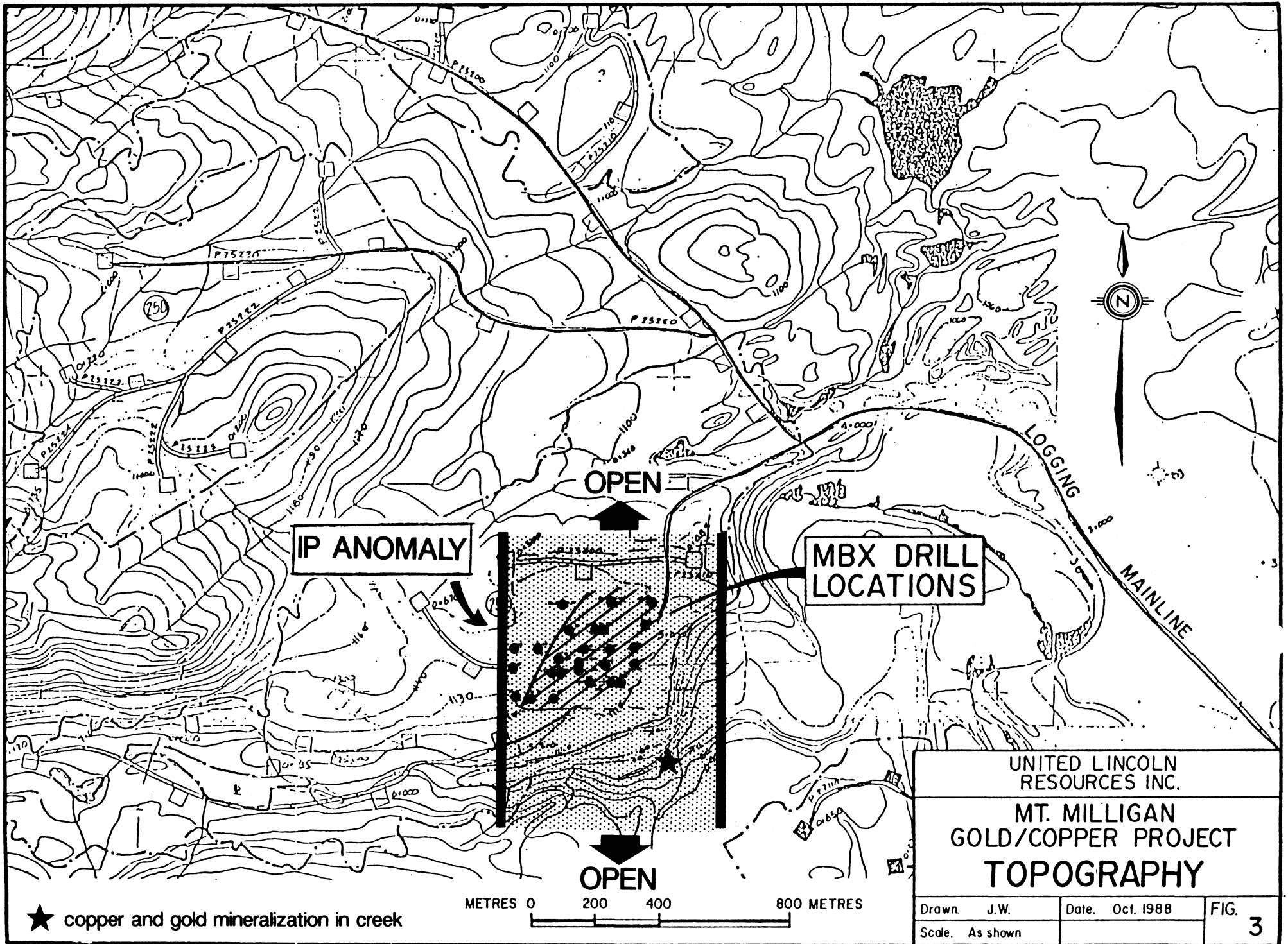
RESERVES

A recently completed reconnaissance drill program at Mt. Milligan discovered the MBX Bulk Tonnage Gold-Copper Deposit in altered volcanic rocks adjacent to an alkaline stock (See Figures 3,4,5,6,7,8). A preliminary geological inventory based on 31 NQ diamond drill holes indicates an initial reserve in the order of 20 million tons containing over 500,000 ounces of gold plus copper. Average gold grades are in the 0.020 - 0.040 oz/ton range with average copper grades in the 0.30 - 0.50% range. The MBX Deposit is open to extension in all directions and to depth.

Multiple deposits are suspected. Gold and copper surface geochemical anomalies are extensive throughout the property (See Figure 9).

PROGRAM

The United Lincoln/B.P. Canada joint venture will initiate an accelerated development program in November, 1988. The \$1,200,000 program will delineate the extent of the MBX deposit and complete preliminary metallurgical and engineering studies.



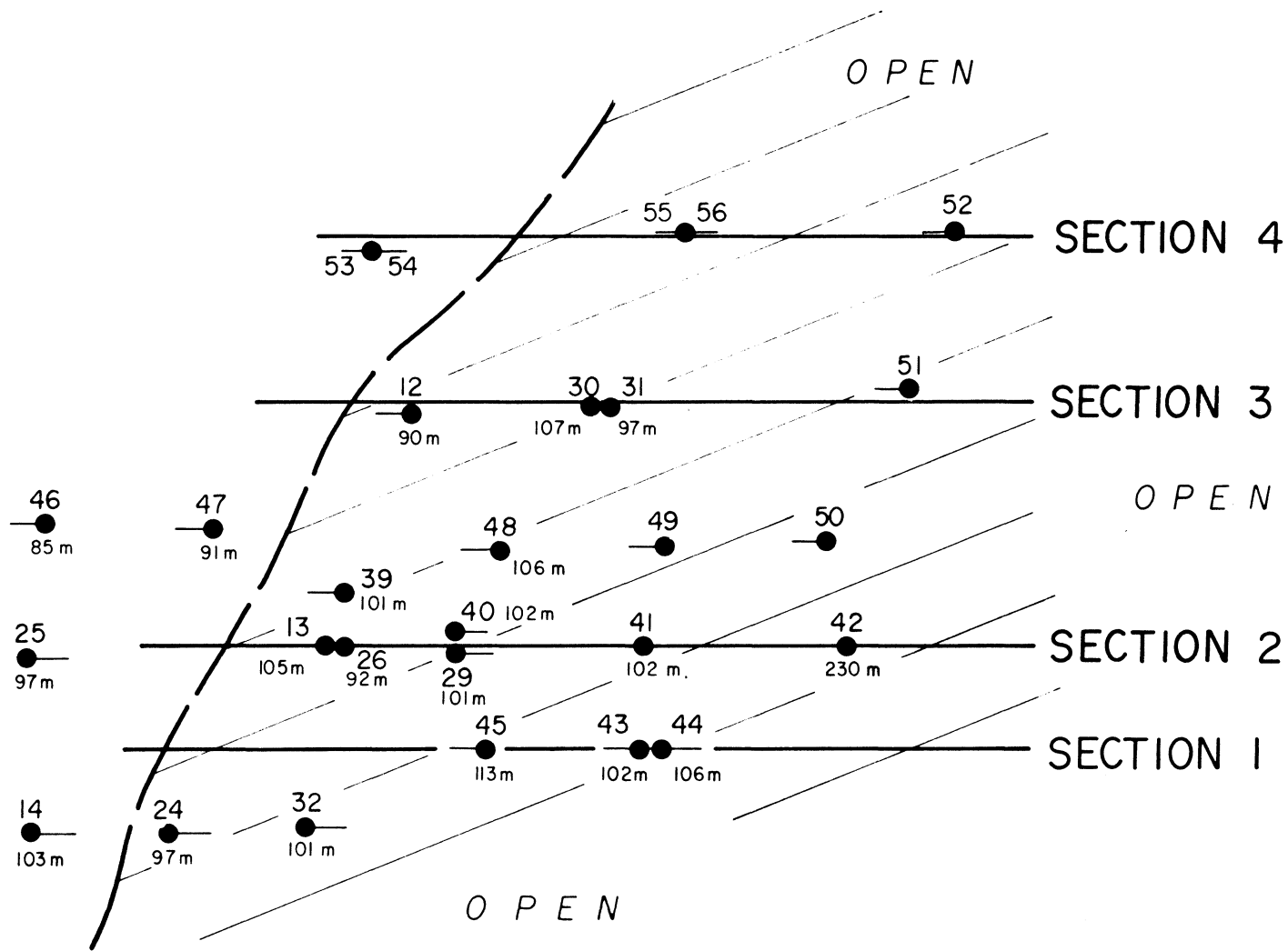
★ copper and gold mineralization in creek

METRES 0 200 400 800 METRES

UNITED LINCOLN RESOURCES INC.
 MT. MILLIGAN GOLD/COPPER PROJECT
 TOPOGRAPHY
 Drawn. J.W. Date. Oct. 1988
 Scale. As shown FIG. 3

WEST

EAST



● COMPLETED HOLES TO NOV. 1, 1988



UNITED LINCOLN RESOURCES INC.

MT. MILLIGAN GOLD/COPPER PROJECT
MBX DRILL LOCATIONS

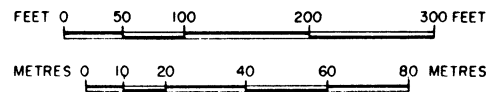
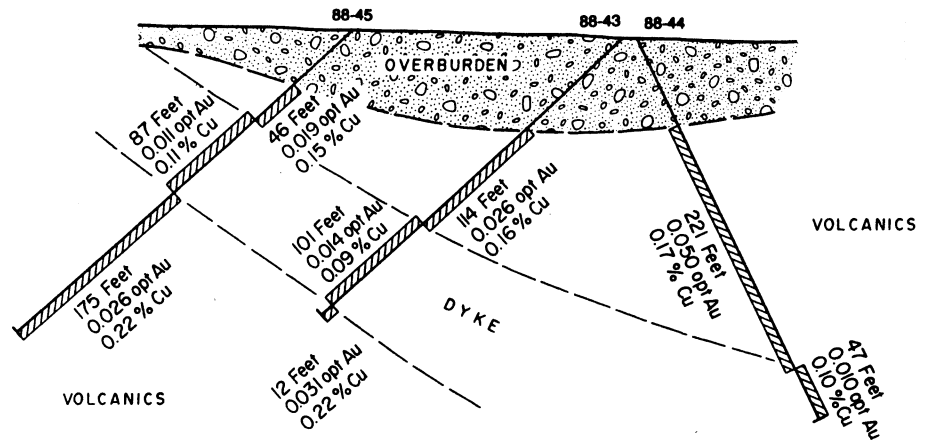
Drawn.	J.W.	Date.	Oct. 1988	FIG. 4
Scale.	As shown			

1100 m
(3600')

1000 m
(3300')

1100 m
(3600')

1000 m
(3300')

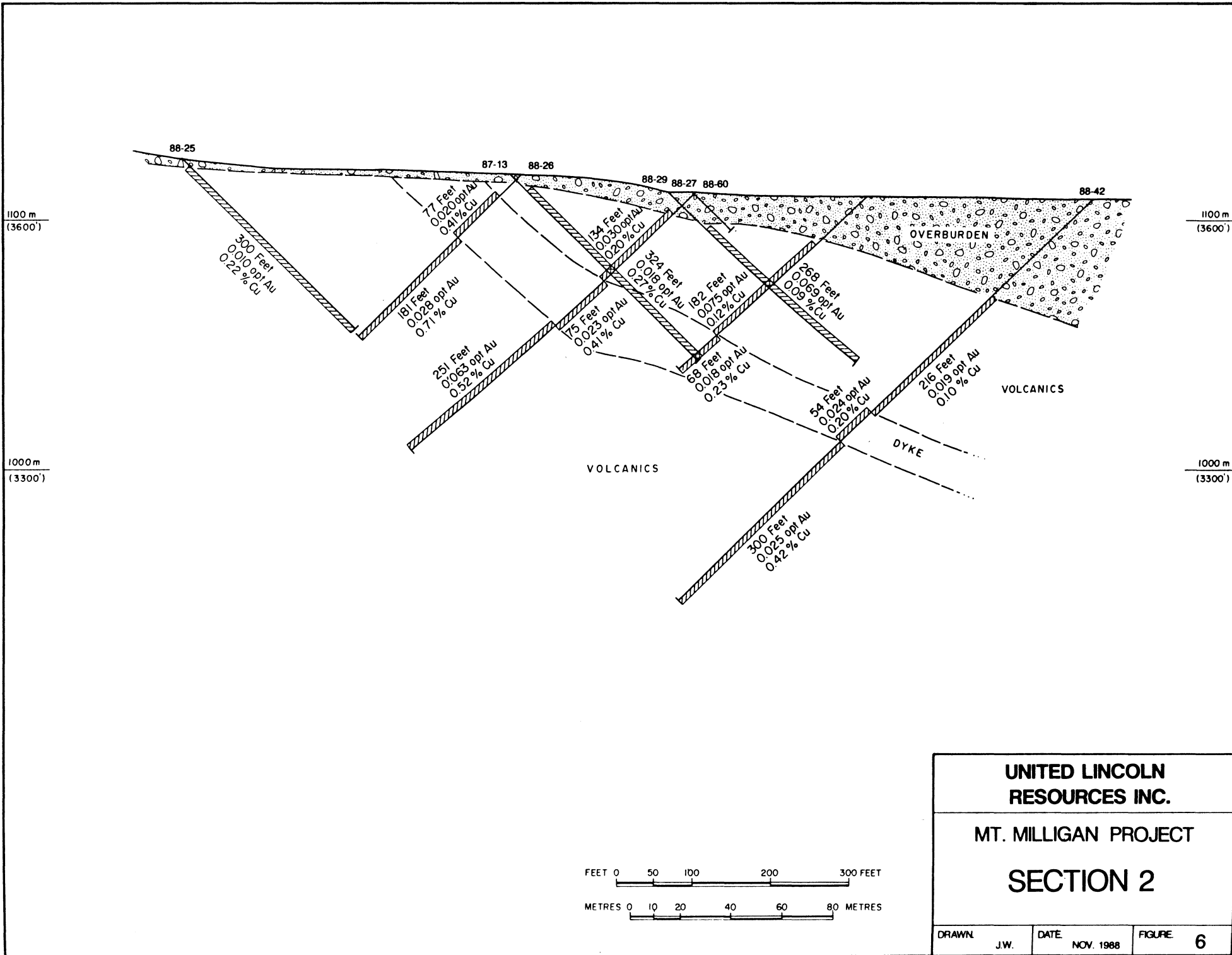


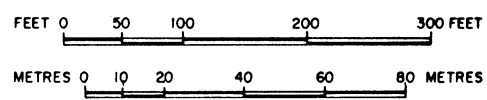
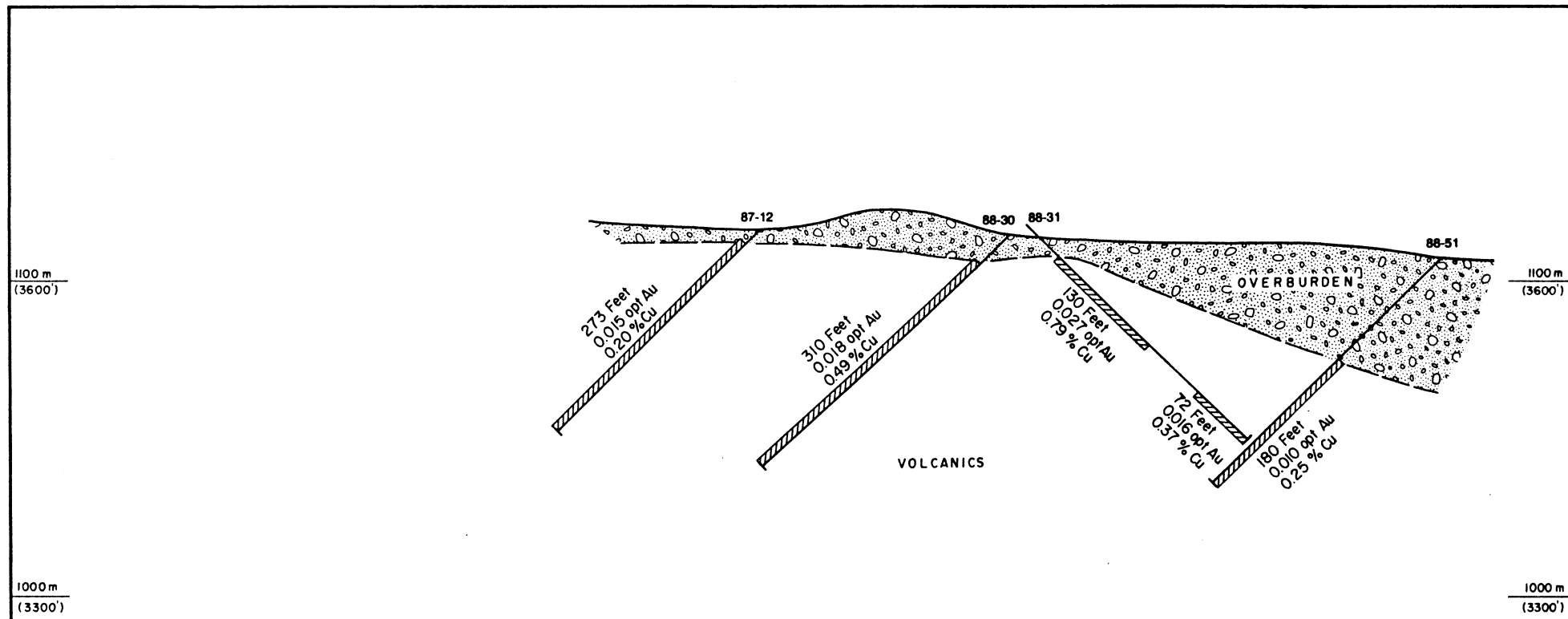
UNITED LINCOLN
RESOURCES INC.

MT. MILLIGAN PROJECT

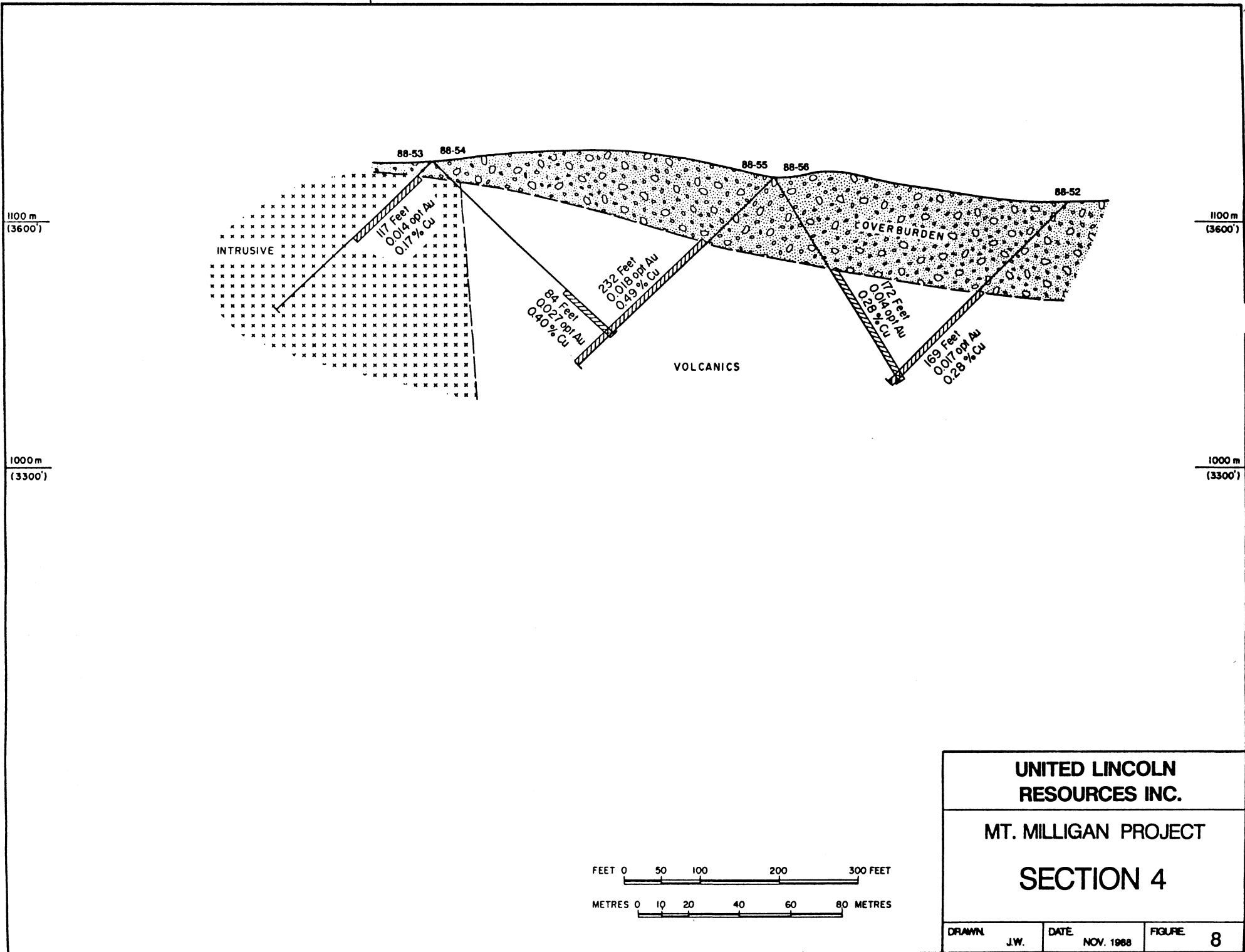
SECTION 1

DRAWN J.W.	DATE NOV. 1988	FIGURE 5
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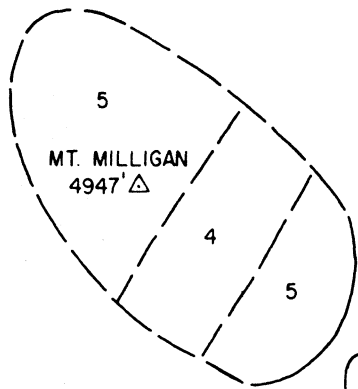




UNITED LINCOLN RESOURCES INC.		
MT. MILLIGAN PROJECT		
SECTION 3		
DRAWN J.W.	DATE NOV. 1988	FIGURE 7



UNITED LINCOLN RESOURCES INC.		
MT. MILLIGAN PROJECT		
SECTION 4		
DRAWN	DATE	FIGURE
J.W.	NOV. 1988	8



PROPERTY
BOUNDARY



MBX DRILL
LOCATIONS

LEGEND

UPPER TRIASSIC INTRUSIVES

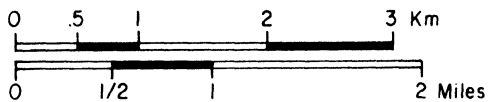
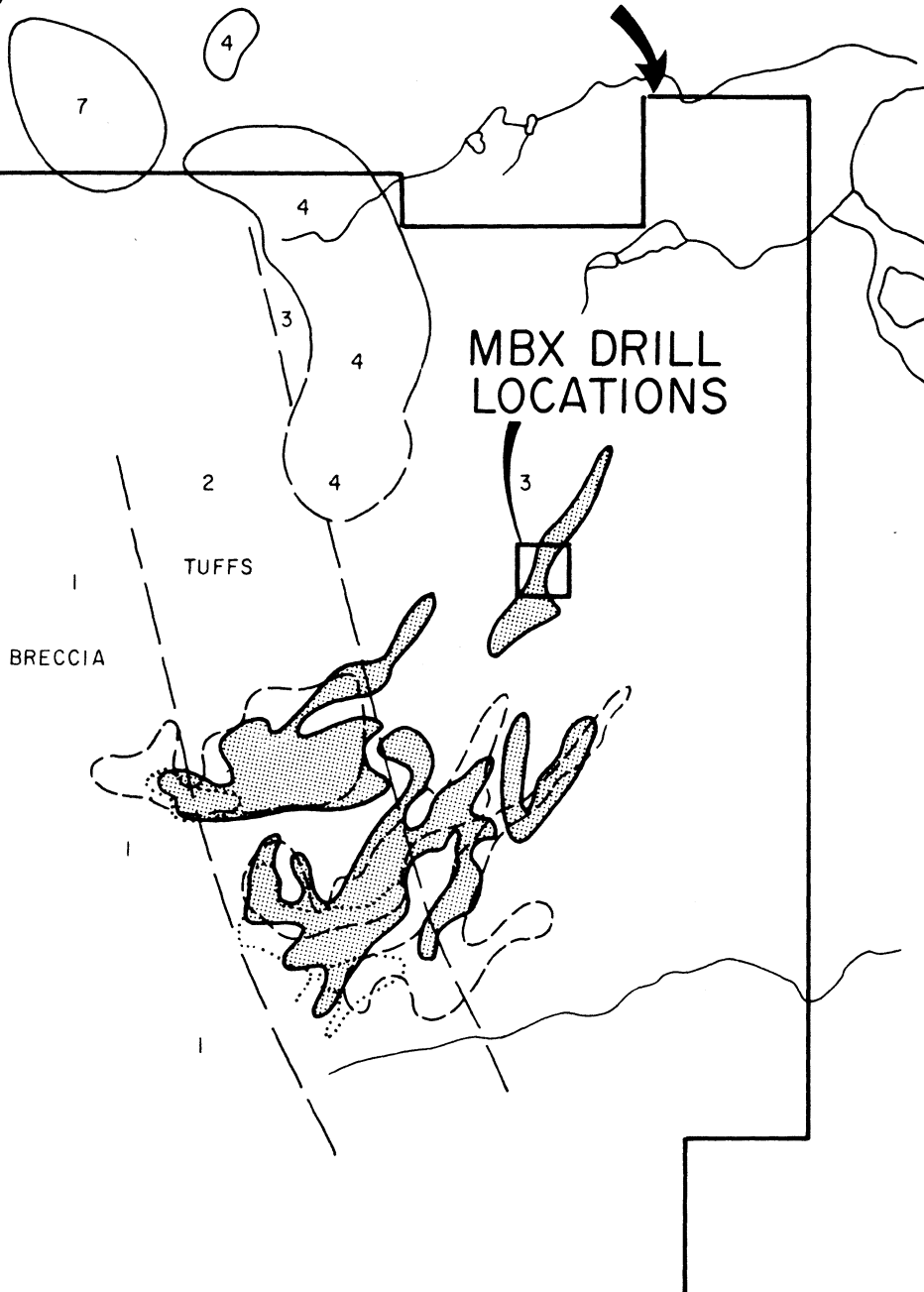
- 7 Quartz Monzonite porphyry Complex
- 6 Diorite Porphyry
- 5 Monzonite
- 4 Diorite

TAKLA VOLCANICS

- 3 Augite Porphyry Flows
- 2 Tuffs
- 1 Coarse Breccia

SOIL ANOMALIES

- ≥ 50 ppb Au
- ≥ 100 ppm Cu
- ≥ 25 ppm As



UNITED LINCOLN
RESOURCES INC.

MT. MILLIGAN
GOLD/COPPER PROJECT
COMPILATION MAP

Drawn. JW.	Date. Oct. 1988	FIG.
Scale. As shown		9

**EXTENSIVE GOLD/COPPER
GEOCHEMICAL ANOMALIES**

A fast-track program involving infill drilling, bulk sampling, and advanced metallurgical, engineering and environmental studies providing the technical base for a bankable feasibility study is envisioned to follow.

ECONOMIC MODELS

Continued comparable drill results will lead to the development of a leading Canadian gold producer. The preliminary economic models below and the Bulk Tonnage Case History attached provide the reader with a conceptual economic framework for the Mt. Milligan Project.

MODEL 1 - QUICK CAPITAL AND OPERATING COST ESTIMATE

TARGET

SIZE	60,000,000 tons
GRADE	0.035 ounces Au/ton 0.35% Cu

MINE MODEL

OPEN PIT	w/o = 2.5/1
MILLING	Flotation - Cu Concentrate.
MILLING RATE	15000 TPD 5,000,000 TPY
MINE LIFE	12 years
CAPITAL COST	\$9,000 per daily ton milled \$135,000,000
OPERATING COST	\$9.00/ton - cash site
Cu RECOVERY	85%
Au RECOVERY	75%
Cu CONCENTRATE	25% Cu

The following table lists varying gold and copper grades that meet this hurdle.

15,000 TPD OPEN PIT AND FLOTATION CONCENTRATOR

<u>CU%</u>	<u>GRADE AU OPT</u>	<u>REVENUE = 2 x COSTS</u>		<u>PAYBACK YEARS</u>
		<u>ANNUAL OUNCES MINED</u>	<u>GOLD RECOVERED</u>	
0.80	0.036	180,000	135,000	2.1
0.60	0.040	200,000	150,000	2.2
0.40	0.043	215,000	161,000	2.5
0.20	0.047	235,000	176,000	2.7

On Figure 10 this 15,000 TPD economic model is graphically depicted and compared with the average grade from top to bottom of all holes drilled at the MBX Deposit.

MODEL 3 - BULK TONNAGE OPERATING SCENARIOS

Bulk tonnage gold mineralization at Mt. Milligan, if mined on a large-scale, would make the deposit one of Canada's largest gold mines. The table below shows the dramatic economic effects of bulk mining:

BULK TONNAGE - MINE OPERATIONS SUMMARY

<u>TONS MILLED/DAY</u>	<u>MINE GRADE % CU AU OPT</u>	<u>ANNUAL OUNCES MINED</u>	<u>GOLD RECOVERED</u>	<u>PAYBACK YEARS</u>
15,000	0.80 0.036	180,000	135,000	2.1
	0.60 0.040	200,000	150,000	2.2
	0.40 0.043	215,000	161,000	2.5
	0.20 0.047	235,000	176,000	2.7
25,000	0.80 0.021	189,000	142,000	2.2
	0.60 0.024	216,000	162,000	2.5
	0.40 0.027	243,000	183,000	2.8
	0.20 0.030	270,000	203,000	3.2
35,000	0.60 0.010	130,000	98,000	2.9
	0.40 0.013	169,000	127,000	3.5
	0.20 0.016	208,000	156,000	4.3
	0.10 0.018	234,000	176,000	4.8