

APR 23 1990

**CONTINENTAL
GOLD CORP.**

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SURVEY BRANCH

**THE
GOLD & COPPER
GROWTH
INVESTMENT
IN
PERSPECTIVE**

885730

**Developing
Mt. Milligan
To Production**

**Canada's
Largest
Gold-Copper
Deposit**



**THIS STUDY
PLACES
CONTINENTAL
GOLD CORP.
AND ITS 69.84%
CONTROLLED
MT. MILLIGAN
GOLD-COPPER
PROJECT IN
PERSPECTIVE**

1 **Describes**

*The massive scale Mt. Milligan
gold-copper project.*

6 **Highlights**

*Mt. Milligan's importance to
Canada and British Columbia.*

10 **Compares**

*Mt. Milligan to leading Canadian
gold mines and to major British
Columbia copper mines.*

12 **Evaluates**

*Continental Gold Corp. in
relation to North America's top
gold companies.*

14 **Summarizes**

*The unprecedented
growth potential for Continental
Gold Corp.*

MT. MILLIGAN GOLD-COPPER PROJECT

A SUMMARY

Continental Gold Corp. (69.84%) and BP Resources Canada Limited (30.16%) have discovered North America's largest undeveloped gold-copper deposit at Mt. Milligan, British Columbia, Canada.

Introduction

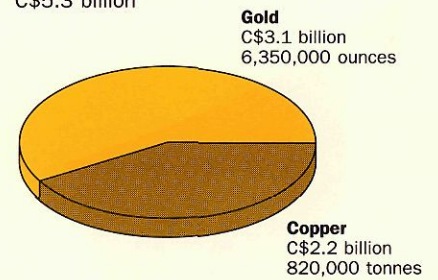
The Mt. Milligan project is a world class, open pit mine development in the engineering stage. Current drill indicated metal content of reserves is 6,350,000 ounces of gold and 820,000 tonnes of copper. Milling at a rate of 55,000 tonnes per day would produce 400,000 ounces of gold and 38,000 tonnes of copper annually.

The Mt. Milligan project has many similarities to the world's largest gold-copper projects and will provide, from one mine, world class gold and base metal production.

Mt. Milligan

Gross Value of Contained Metal

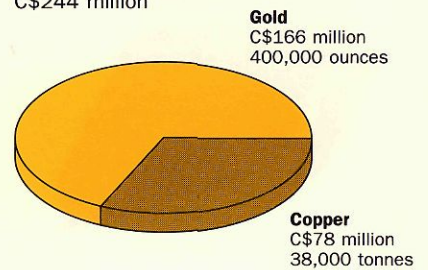
C\$5.3 billion



Mt. Milligan

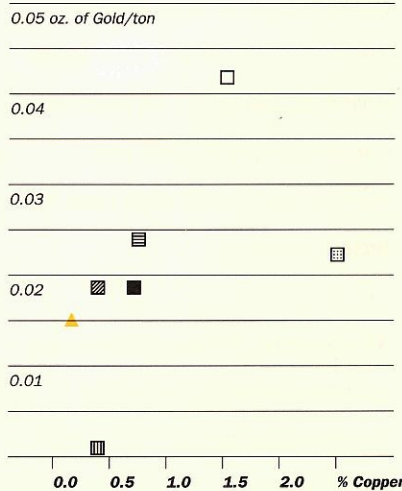
Projected Annual Smelter Return

C\$244 million

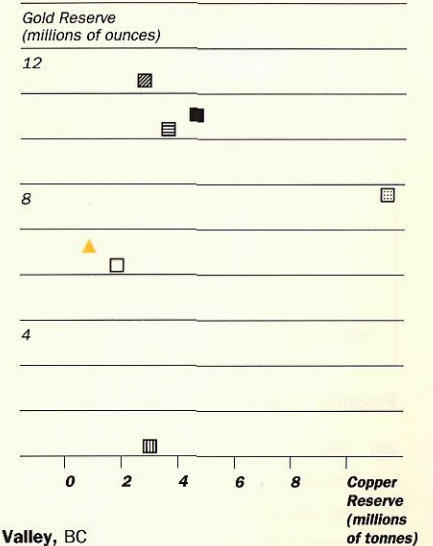


World Class Gold-Copper Deposits

Metal Grades



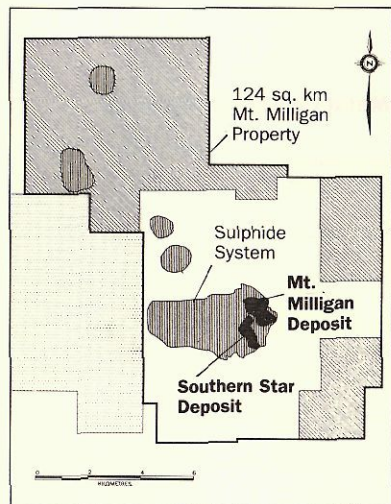
Metal Content in Reserves



- ▲ Mt. Milligan, BC
- Grasberg, Indonesia
- Bingham, USA
- ▨ Bougainville, Papua New Guinea
- ▩ Highland Valley, BC
- ▧ Ok Tedi, Papua New Guinea
- ▤ Olympic Dam, Australia



**Location & British Columbia
Open Pit Mines**



Property Map

- Deposit Targets
- 69.84% Continental Gold
30.16% BP Resources Canada
- 100% Continental Gold
- BP Resources Canada 100% Option

Location

The Mt. Milligan deposit is located 150 kilometres north of Prince George, at an elevation of 1,100 metres in an area of logged, gently rolling country. Climate is moderate. The resource based region hosts large pulp mills, sawmills and open pit mines such as Bell (copper), Endako (molybdenum) and Equity Silver (copper-silver-gold).

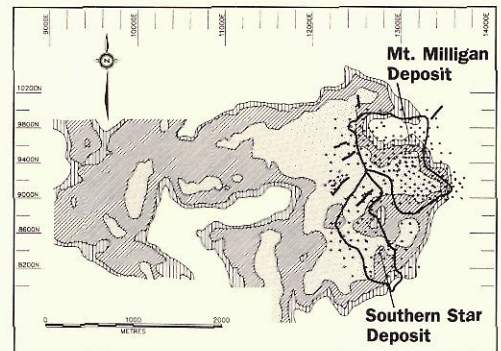
History, Geology & Exploration

In 1984, BP Resources Canada Limited acquired the Mt. Milligan property. After completing surface surveys BP Resources Canada Limited optioned the property in 1986 to United Lincoln Resources Inc. which amalgamated with Continental Gold Corp. in early 1989. The project is a Continental Gold Corp. 69.84% – BP Resources Canada Limited 30.16% joint venture. Continental Gold Corp. is project operator.

An immense, 10 square kilometre, gold and copper rich sulphide system exists around monzonite stocks which intrude volcanic strata. Drilling of 120,000 metres in 540 holes within the eastern portion of this system has confirmed two major bulk tonnage gold-copper

deposits and numerous high grade gold veins. The balance of the sulphide system and other targets on the 124 square kilometre property remain to be drill tested.

The Mt. Milligan gold-copper deposit measures 1,200 metres by 800 metres and is up to 400 metres deep. The Southern Star deposit is 1,300 metres by 400 metres, extends to 400 metres in depth and remains open. Deposits are capped by overburden which averages 25 metres thick. Mineralization is stockworks and disseminated grains of chalcopryite, pyrite and minor bornite. Native gold occurs as fine free grains and associated with sulphides.



Deposit Plan & Disseminated Sulphide System

- Sulphide Content –
- High
 - Medium
 - Low
 - Vein
 - Drill Hole Location

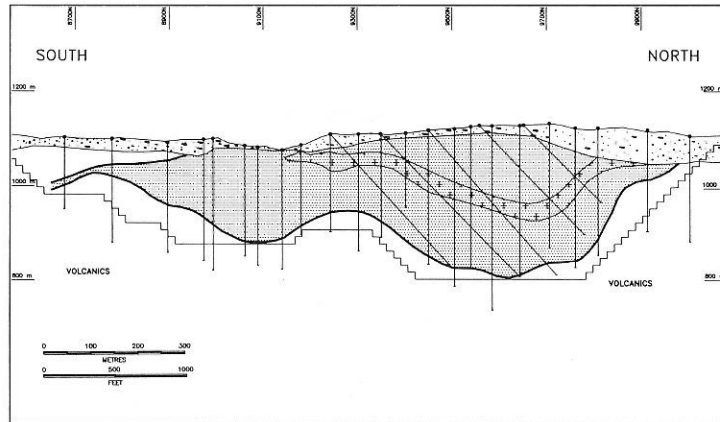
Reserves & Mining

The Mt. Milligan deposits rank among the world's largest gold-copper deposits. Additional drilling, presently underway, is expected to further increase reserves. Current drill indicated reserves are shown in the table to the right. Engineering of mineable reserves is in progress.

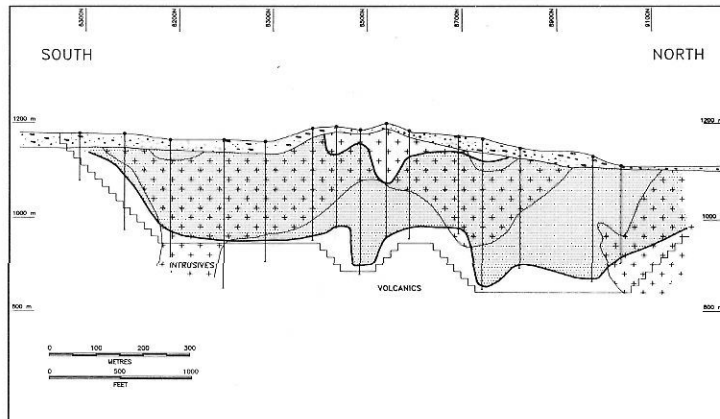
The massive size, blanket-shaped configuration and uniform distribution of gold and copper make the deposits ideally suited for high volume, low cost, open pit mine development. Stripping ratios are in the 1.2:1 range. Mining will commence within a near surface, relatively higher grade zone.

Drill Indicated Reserves

Deposit	Tonnes	Grade		Contained Metal	
		Gold oz./ton	Copper %	Gold oz.	Copper tonnes
Mt. Milligan	265,000,000	0.016	0.19	4,700,000	510,000
Southern Star	135,000,000	0.011	0.23	1,650,000	310,000
Total	400,000,000	0.014	0.20	6,350,000	820,000



Mt. Milligan Gold-Copper Deposit



Southern Star Gold-Copper Deposit

Metallurgy & Milling

Extensive metallurgical programs have been successfully completed. Coarse grinding of the low work index ore followed by standard flotation extraction processes recover 80% of the gold and 88% of the copper. A premium copper concentrate averaging 25% copper with 1.5 to 5.5 ounces gold/ton is produced. In-progress optimization work is expected to improve recoveries by 5%. A 200 tonne representative sample is being prepared for final pilot plant testing.

At a milling rate of 55,000 tonnes per day, current reserves provide for a mine life in excess of 15 years.

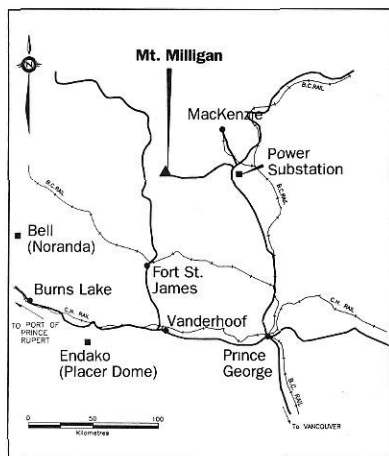
Infrastructure

Mt. Milligan is centred in British Columbia's mining country. Large scale open pit mines are the norm. After decades of production some of these mines are nearing exhaustion, freeing skilled personnel and equipment for Mt. Milligan's development. Nearby communities of Mackenzie (pop. 5,600), Fort St. James (pop. 2,500), and the major supply and service centre of Prince George (pop. 70,000) support the project's development.

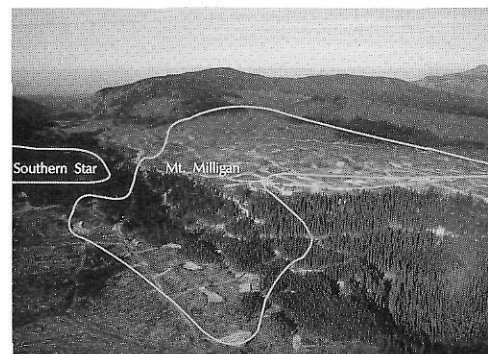
A developed road network and bulk container railroad system for deep sea port shipping of concentrate to smelters is in place. Electric power and water resources are available nearby.

Environment

Environmental surveys for the project are advanced, with government permitting programs underway. Uses for the provincially owned land are forestry, wildlife habitat with lesser potential for trapping, hunting and recreation. Since most of the Mt. Milligan site has been clear-cut logged, forestry and wildlife factors are less critical. Salmon do not inhabit the region's watersheds and there are no recorded heritage sites. Waste dump and tailings impoundments will be acid consuming and reagents used to recover metals will be conventional.



Site Location

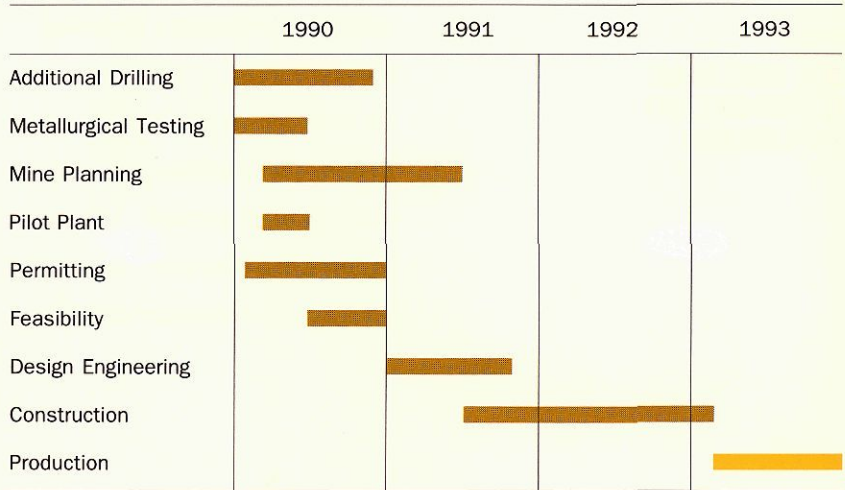


Mt. Milligan Project Site

Countdown To Production

Exploration expenditures to 1989 totalled \$11.6 million. An accelerated, \$7.1 million feasibility, engineering and permitting program is underway for a construction start-up in 1991 of the estimated C\$325 million project. Employing some 350 people, large scale production of gold and copper would follow in early 1993.

Development Schedule

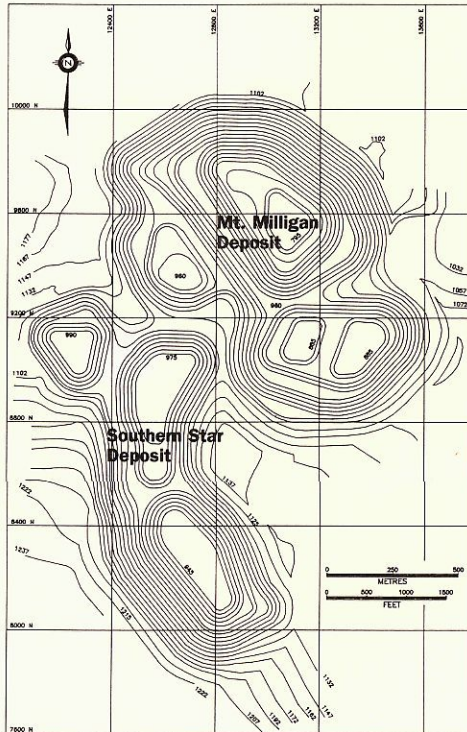


Mt. Milligan Mine Model

Milling Rate (tonnes/day)	55,000
Milling Rate (tonnes/year)	20,000,000
Mine Life (years)	15+
Project Capital Cost (C\$)	325,000,000
Operating Cost (C\$/tonne)	5.00

Projected Annual Operations

Gold Production (oz.)	400,000
Copper Production (tonnes)	38,000
Cost Gold Production (US\$/oz.)	140
Cost Copper Production (US\$/lb.)	0.34
Cost Gold Production Net of Copper Revenues (US\$/oz.)	40



Open Pit Plan

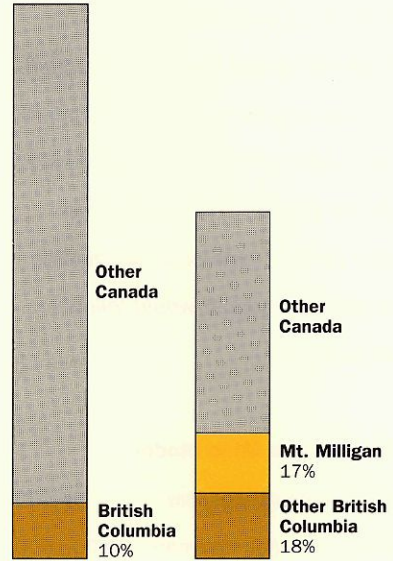
**MT. MILLIGAN
IS IMPORTANT
TO CANADA**

**Mt. Milligan Will Meet the
Challenge of Canada's Dwindling
Mineral Supply.**

*Mt. Milligan contains 17% of
Canada's undeveloped gold reserves
and 20% of its undeveloped copper
reserves at a time when metal
reserves are in dramatic decline.*

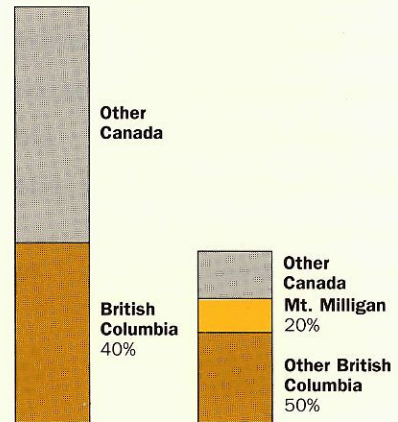
Canadian Gold Reserves

Developed 1914 tonnes
Undeveloped 1240 tonnes



Canadian Copper Reserves

Developed 13 million tonnes
Undeveloped 5 million tonnes

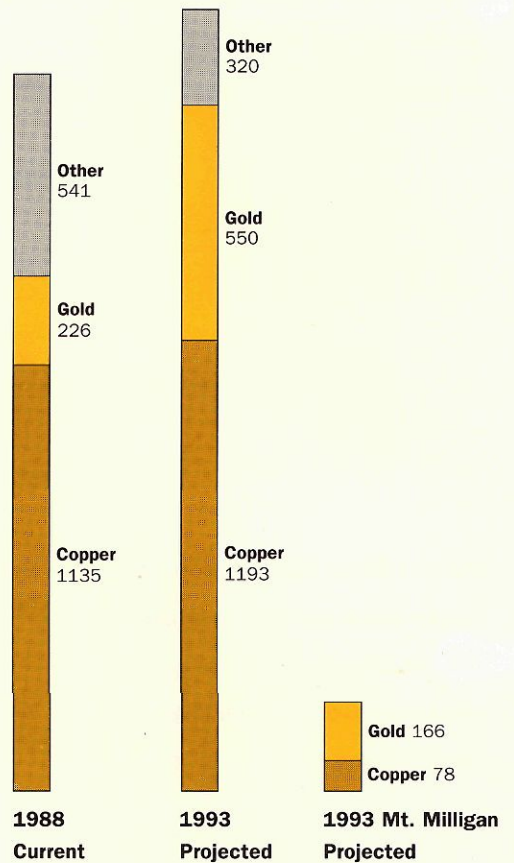


**MT. MILLIGAN
IS IMPORTANT
TO BRITISH
COLUMBIA**

**British Columbia Is Mining
Country and Mt. Milligan Will
Keep It That Way...**

*Mt. Milligan production will
add 13% to the total value of British
Columbia metal mining.*

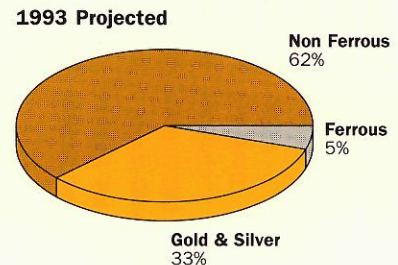
**Annual Value – British Columbia
Metal Production**
Millions C\$



**... While Changing the Structure
of the Province's Metal Output.**

*Mt. Milligan production will double
British Columbia's precious metal
output.*

**Relative Value – British Columbia
Metal Production**



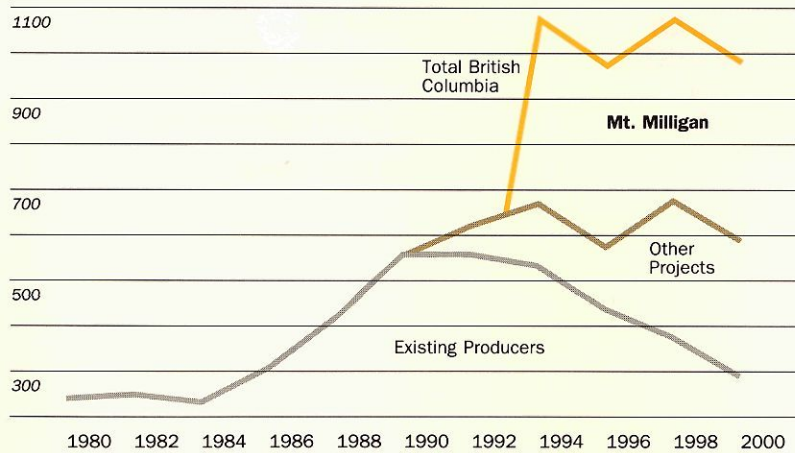
Creating New Wealth for

British Columbia and Canada.

Startup at Mt. Milligan will usher in a major gold era for British Columbia as provincial output doubles.

British Columbia Gold Production 1980-2000

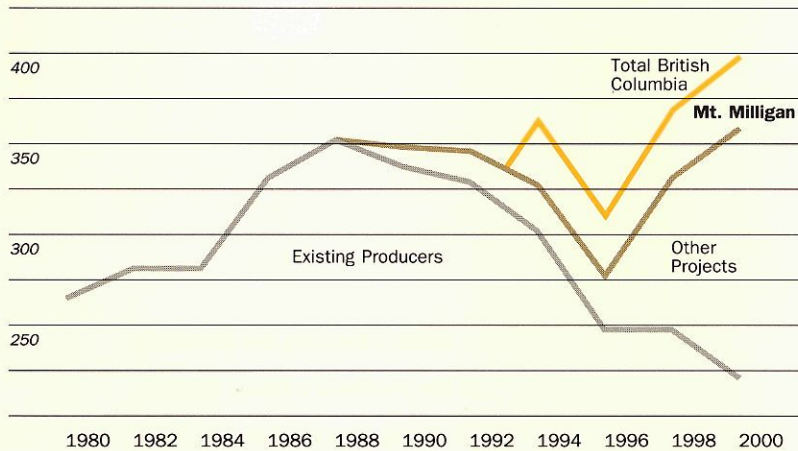
(thousand ounces gold)



Many of British Columbia's existing copper mines are nearing exhaustion. Mt. Milligan will fill the gap for renewed growth in British Columbia copper mining.

British Columbia Copper Production 1980-2000

(thousand tonnes copper)



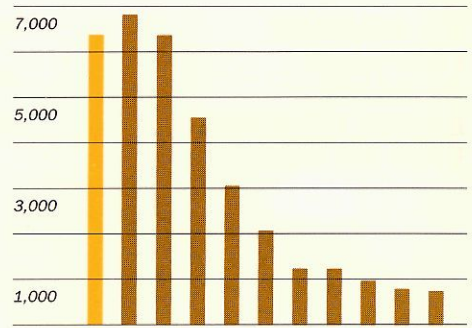
**MT. MILLIGAN
COMPARED
TO LEADING
CANADIAN
GOLD MINES**

Reserves

With 6.35 million ounces of contained gold, Mt. Milligan has the reserve base to support a long life gold mining venture.

Gold Reserves

(thousand ounces)

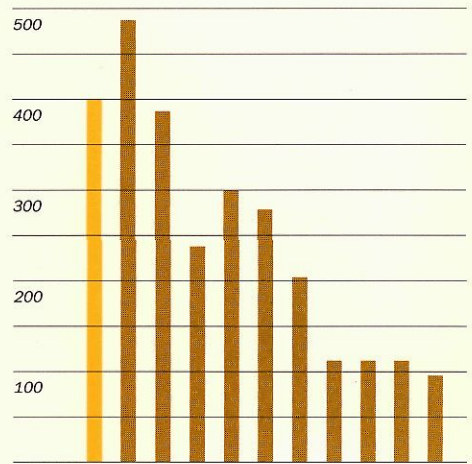


Production

Mt. Milligan's annual gold output will be among the most significant in Canada, with projected annual production of 400,000 ounces of gold.

Gold Production

(thousand ounces)

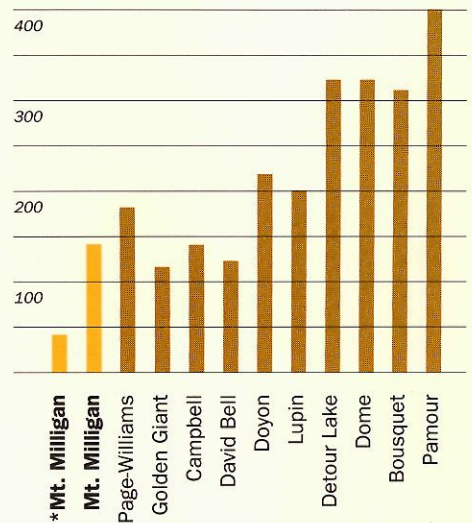


Operating Cost

Mt. Milligan will be set apart from other gold mines by additional revenue from copper sales, which will generate increased profit for every ounce of gold produced.

Operating Cost

(US\$/ounce)



Leading Canadian Gold Mines

*Cost of gold net of copper revenues

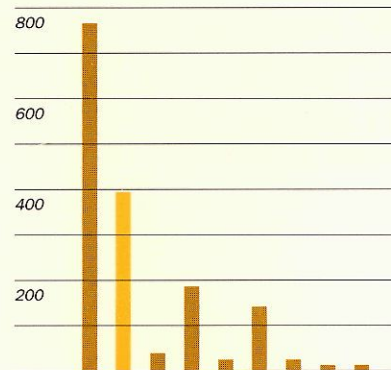
**MT. MILLIGAN
COMPARED
TO MAJOR
BRITISH COLUMBIA
OPEN PIT MINES**

Reserves

The Mt. Milligan gold-copper deposit rivals the largest deposit in British Columbia, which is also the third largest in the world.

Reserves

(million tonnes)

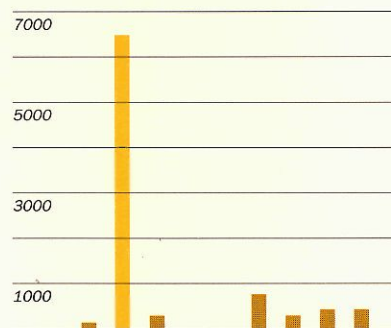


Gold Content of Reserves

Mt. Milligan's gold inventory ensures many years of profitable production.

Gold Content of Reserves

(thousand ounces)

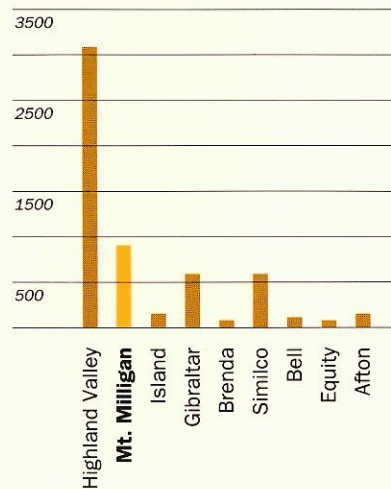


Copper Content of Reserves

As a dual metal project additional benefits accrue from significant copper reserves.

Copper Content of Reserves

(thousand tonnes)

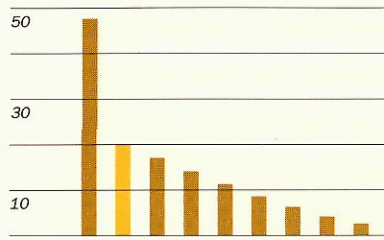


**British Columbia
Open Pit Mines**

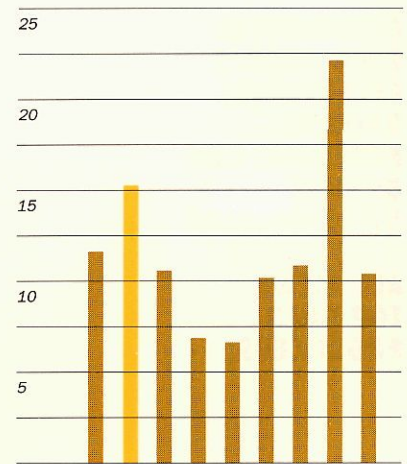
Milling Capacity

Mt. Milligan will be British Columbia's second largest, low cost mine.

Milling Capacity
(million tonnes/year)



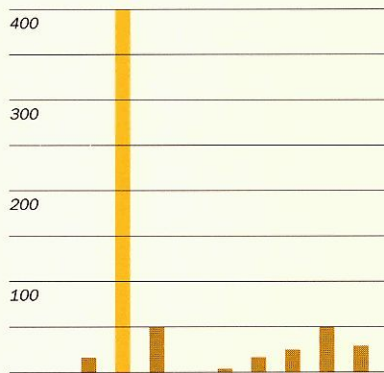
Gross Metal Value
(C\$/tonne)



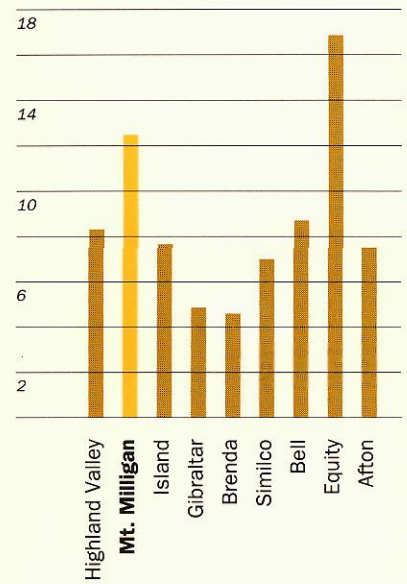
Gold Production

As a world class gold producer, Mt. Milligan will dwarf all of British Columbia's major open pit mines.

Gold Production
(thousand ounces/year)



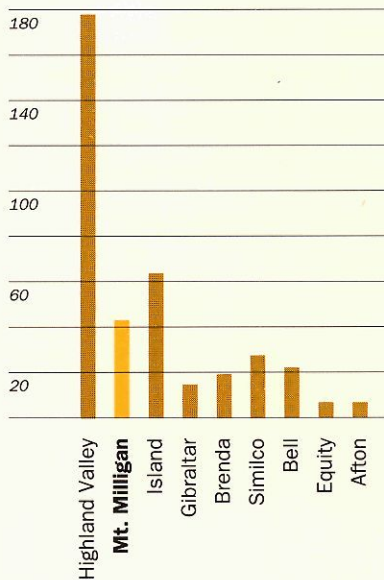
Net Smelter Return
(C\$/tonne)



Copper Production

At the same time, Mt. Milligan's copper production will compare favourably with British Columbia's leading copper mines.

Copper Production
(thousand tonnes/year)



British Columbia Open Pit Mines

Metal Sales

Profit margins from Mt. Milligan will be exceptionally high compared to the British Columbia industry norm.

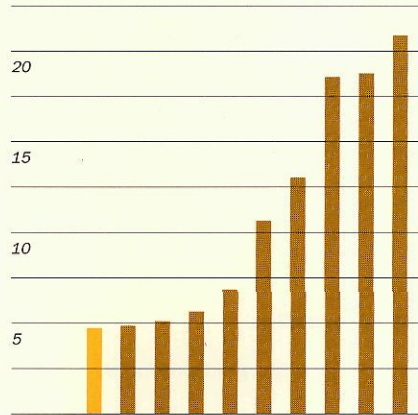
British Columbia Open Pit Mines

CONTINENTAL GOLD CORP.'S EXCEPTIONAL GROWTH POTENTIAL CAN BE EVALUATED BY COMPARING IT TO NORTH AMERICA'S TOP GOLD PRODUCERS

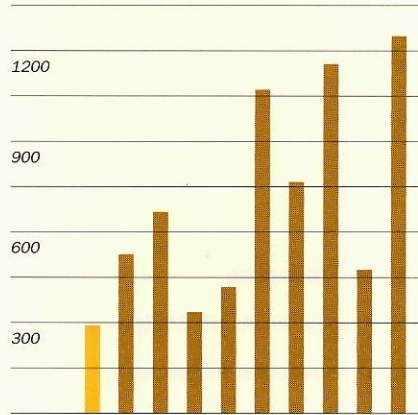
Based on its 69.84% share of Mt. Milligan's gold reserves and on its anticipated annual gold output, Continental Gold Corp. will vault into the ranks of North America's top gold producers.

Due to dramatically lower gold production costs arising from offsetting copper revenue, investors in Continental Gold Corp. will receive significantly increased profitability per ounce of gold produced.

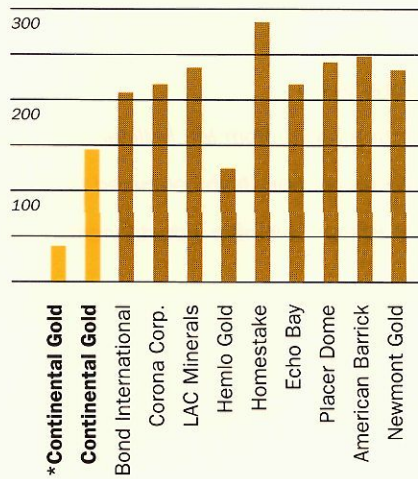
Gold Reserves
(million ounces)



Gold Production
(thousand ounces/year)



Cash Cost
(US\$/ounce)

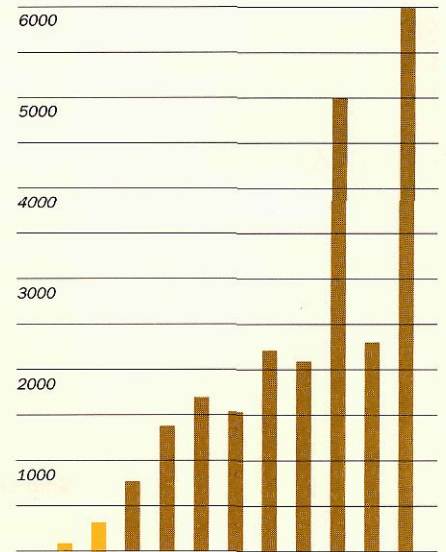


Top Gold Producers

*Cost of gold net of copper revenues

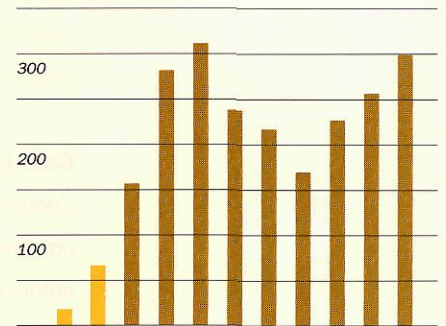
Continental Gold Corp.'s unprecedented growth potential is clearly seen by comparing the market capitalizations of North America's top gold producers.

Market Capitalization – Dec. 1989
(C\$ millions)

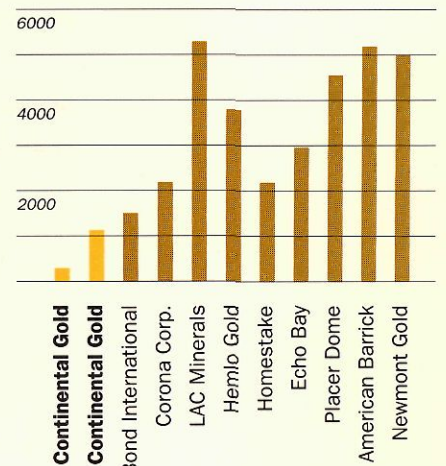


A key to Continental Gold Corp.'s investment appeal is its low market capitalization relative to its immense gold holdings.

Market Capitalization/Ounce Gold Reserves (C\$)



Market Capitalization/Ounce Gold Production (C\$)



*Market Capitalization adjusted for Capital Cost

SUMMARY OF CONTINENTAL GOLD IN RELATION TO LEADING NORTH AMERICAN GOLD PRODUCERS

Gold Production

Continental Gold Corp. through its investment in Mt. Milligan, is expected to be among the top ten gold companies in North America.

Gold Production

(thousand ounces/year)

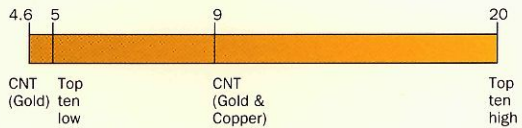


Gold Reserves

Continental Gold Corp.'s massive gold reserves provide a secure base to establish its position as one of the quality, long life gold producers in North America.

Gold Reserves

(million ounces)

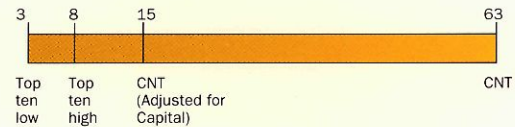


Gold Leverage

Current shareholders own 63 ounces of gold for every \$1000 invested in Continental Gold Corp. Allowing for the capital cost required to bring Mt. Milligan to production, shareholders will own 15 ounces of gold for every \$1000 invested.

Ounces Reserves/\$1000 Invested

(ounces)

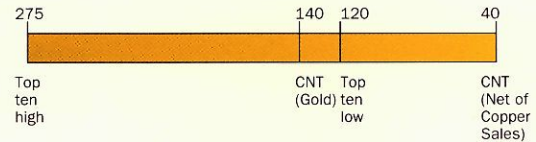


Cash Cost Per Ounce

Continental Gold Corp.'s unique position among the major gold producers will be enhanced by its copper production. Gold will be produced for less than \$40 per ounce, when profit generated from copper sales is deducted from costs.

Cash Cost/Ounce

(US\$/ounce)

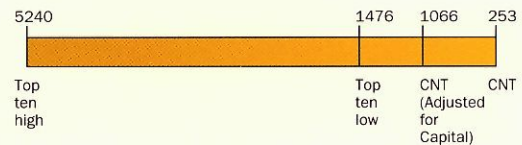


Market Capitalization Per Ounce of Annual Gold Production

The market value of Continental Gold Corp. does not yet reflect the anticipated gold production from Mt. Milligan. North America's top gold companies support an investment of up to \$5000 for every ounce of annual gold production.

Market Capitalization/Annual Ounce Gold Production

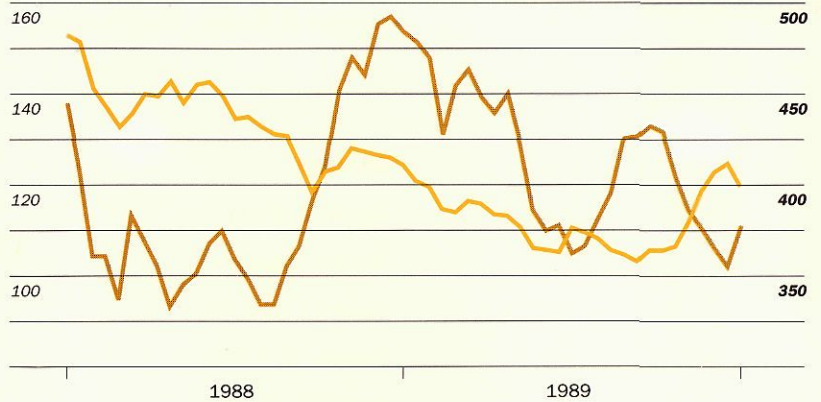
(C\$/ounce)



**CONTINENTAL GOLD
CORP.'S GOLD &
COPPER RESERVES
PROVIDE ADDED
BENEFITS FROM
DIVERSIFICATION**

Gold & Copper Prices

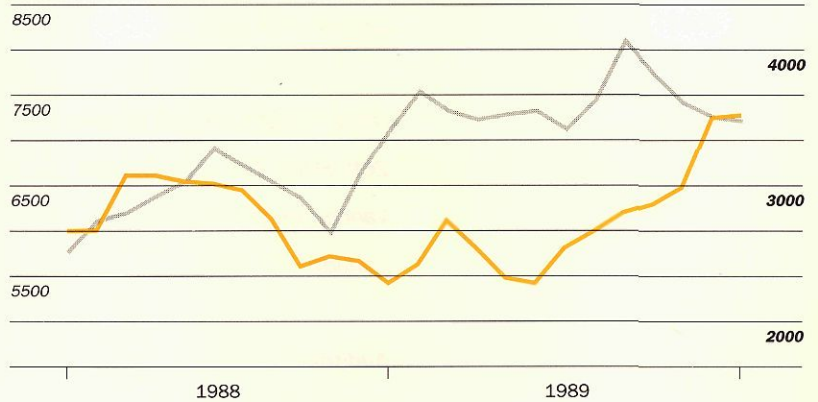
— LME Copper US\$/lb.
— London Gold US\$/ounce



Investors in Continental Gold Corp. shares will be protected from the extremes of metal price highs and lows.

Stock Market Indices

— TSE Gold & Silver Index
— TSE Metals & Minerals Index



Continental Gold Corp. has a built in hedge against swings in investor sentiment towards base or precious metals.

CORPORATE INFORMATION

Officers

Robert G. Hunter, Chairman
Robert A. Dickinson, President
Douglas B. Forster, Vice-President,
Secretary

Directors

Ray W. Ballmer
David J. Copeland
Robert A. Dickinson
Douglas B. Forster
Harold H. Forzley
Jeffery P. Franzen
Robert G. Hunter
Barry D. McKnight
Ronald W. Thiessen

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Farris, Vaughn, Wills & Murphy
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Vancouver, British Columbia
Canada V6E 3R2

Transfer Agent

Montreal Trust Company
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Canada V6C 3B9
or
66 Temperance Street
Toronto, Ontario
Canada M5H 1Y7

Bank

Canadian Imperial Bank of Commerce
400 Burrard Street
Vancouver, British Columbia
Canada V6C 3A6

Trades

Vancouver Stock Exchange (CNT:V)
NASDAQ (CNTVF)

Capitalization – as at March 15, 1990

Common authorized
100,000,000

Issued 8,152,799
Fully diluted 8,466,185

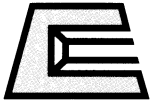
For further information contact:

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Canada V6C 2V6
Telephone: 604-684-6365

To the best of our knowledge, the information was correct at the time of compilation. No responsibility can be accepted for any errors or omissions and Koornhof Agencies expressly disclaims any such responsibility.

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March 15, 1990.*

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Vancouver, British Columbia*



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