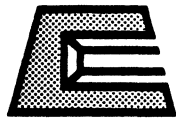
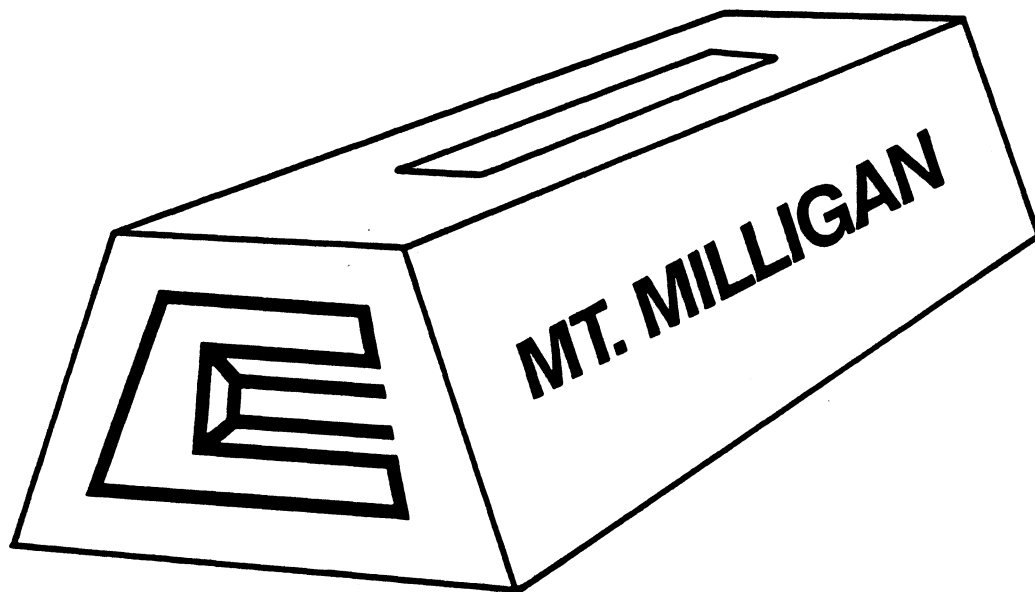


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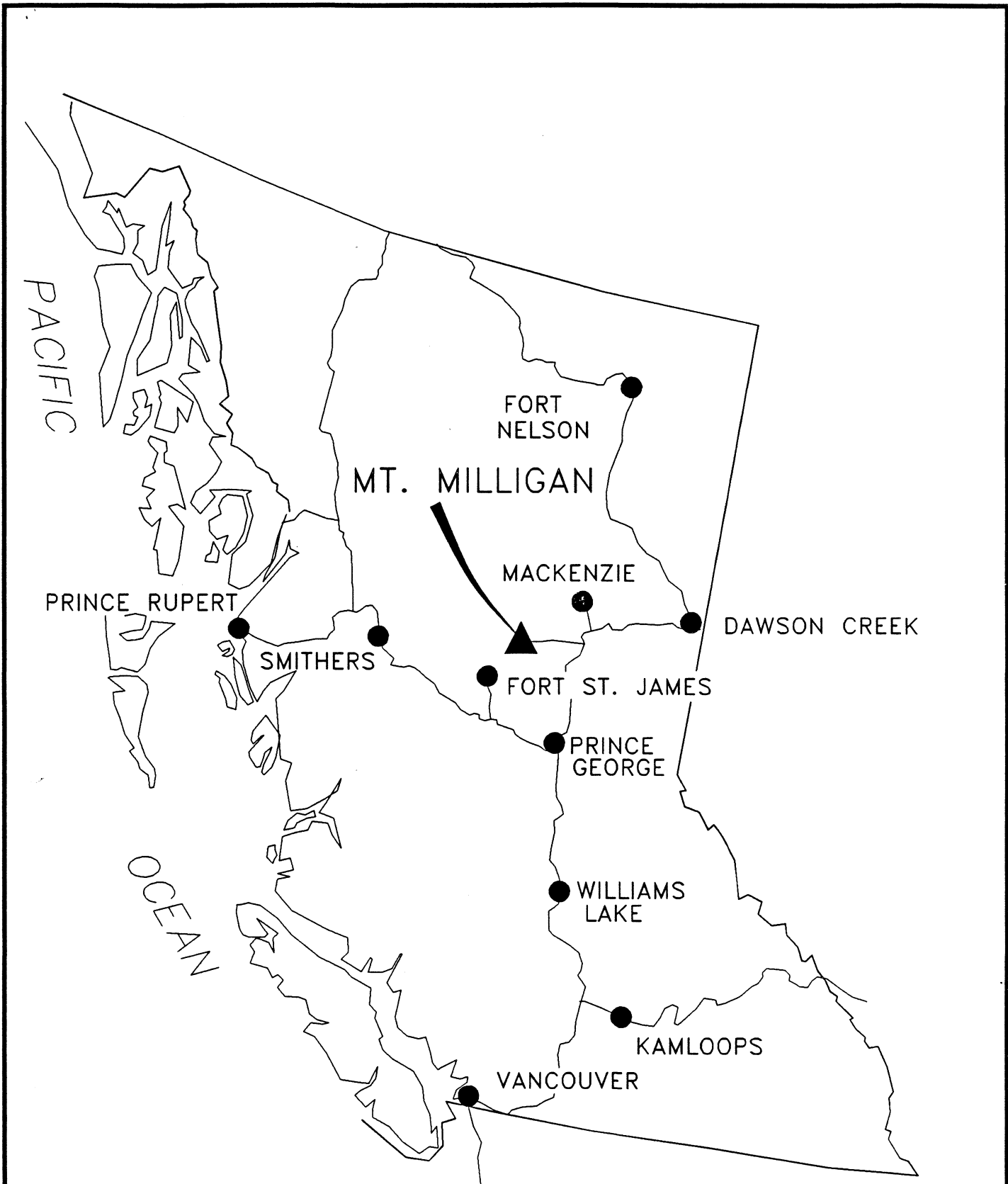


**CONTINENTAL GOLD CORP.**



**BP RESOURCES CANADA LTD.**

**A**  
**GOLD - COPPER**  
**JOINT VENTURE**



 CONTINENTAL GOLD CORP  
GENERAL LOCATION MAP



MT. MILLIGAN

MACKENZIE

■ BELL  
(NORANDA)

FORT ST. JAMES

BURNS LAKE


PRINCE  
RUPERT

■ VANDERHOOF

PRINCE  
GEORGE

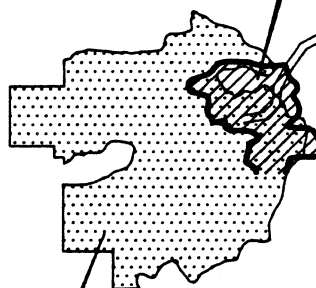
ENDAKO  
(PLACER DOME)



 CONTINENTAL GOLD CORP  
SITE LOCATION




GOLD - COPPER DEPOSIT

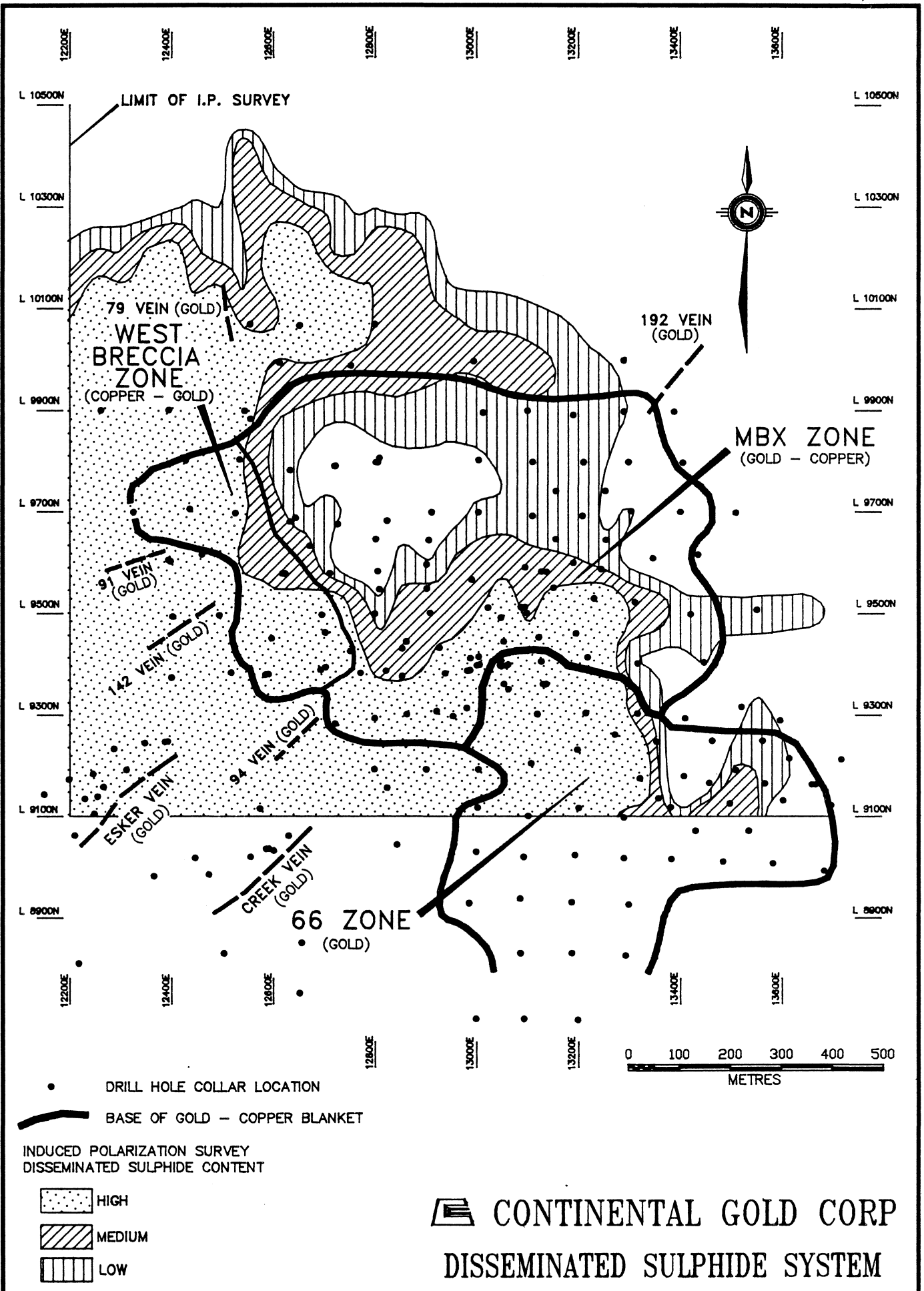


MAINLINE  
ROAD

SULPHIDE SYSTEM



 CONTINENTAL GOLD CORP  
DISSEMINATED SULPHIDE SYSTEM



LIMIT OF I.P. SURVEY

L 10500N  
L 10300N  
L 10100N  
L 9900N  
L 9700N  
L 9500N  
L 9300N  
L 9100N  
L 8900N

79 VEIN (GOLD)  
WEST BRECCIA ZONE  
(COPPER - GOLD)

192 VEIN (GOLD)

MBX ZONE  
(GOLD - COPPER)

91 VEIN (GOLD)

142 VEIN (GOLD)

ESXER VEIN (GOLD)

94 VEIN (GOLD)

CREEK VEIN (GOLD)

66 ZONE  
(GOLD)

L 8900N  
L 8900E  
L 12400E  
L 12600E  
L 12800E  
L 13000E  
L 13200E  
L 13400E  
L 13600E

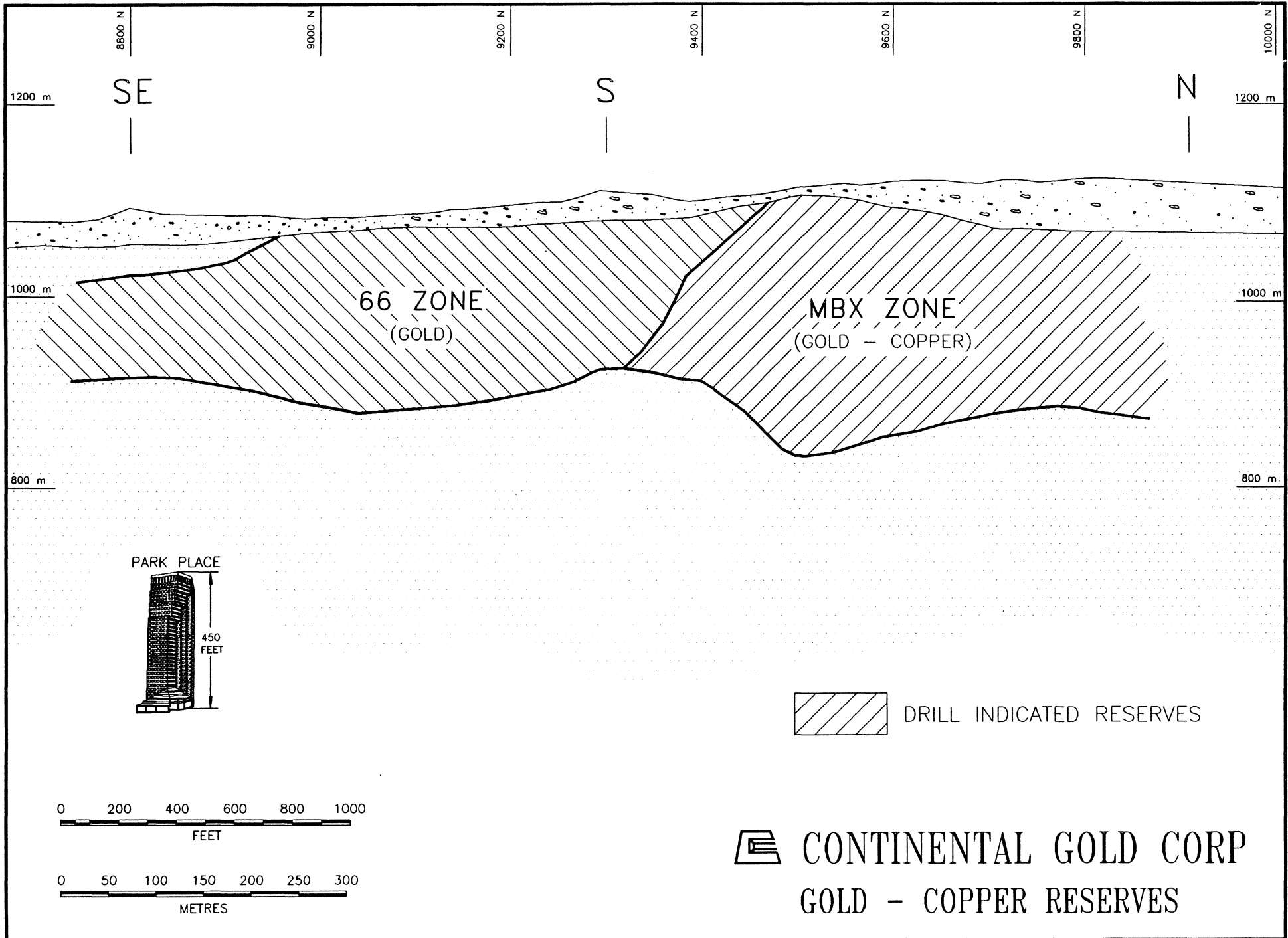


- DRILL HOLE COLLAR LOCATION
- BASE OF GOLD - COPPER BLANKET

INDUCED POLARIZATION SURVEY  
DISSEMINATED SULPHIDE CONTENT

- HIGH
- MEDIUM
- LOW

**CONTINENTAL GOLD CORP**  
**DISSEMINATED SULPHIDE SYSTEM**



## MBX ZONE DEEP DRILL HOLE ASSAY SUMMARY

SECTION LINE	HOLE	INTERCEPT WIDTH (FEET)	GRADE	
			COPPER %	GOLD oz/ton
9400N	88-42	570	0.28	0.023
	88-60	460	0.41	0.047
	89-98	244	0.61	0.022
	89-99	665	0.31	0.024
	89-164	663	0.25	0.016
	89-170	335	0.35	0.027
9500N	88-68	884	0.39	0.017
	89-80	400	0.22	0.023
	89-105	679	0.47	0.023
	89-174	538	0.36	0.022
	89-176	722	0.42	0.016
9600N	88-70	818	0.37	0.015
	89-76	841	0.24	0.012
	89-123	527	0.38	0.014
	89-175	676	0.33	0.019
	89-177	686	0.32	0.016
	89-178	391	0.37	0.015
9700N	88-65	545	0.38	0.012
	88-71	700	0.27	0.011
	89-112	814	0.37	0.017
9800N	88-67	380	0.26	0.012
	89-115	725	0.32	0.019
	89-120	588	0.48	0.015
	89-122	674	0.48	0.017
	89-135	596	0.49	0.026
	89-140	436	0.45	0.012
AVERAGE		598 FEET	0.36%	0.018 oz/ton

## 66 ZONE DRILL HOLE ASSAY SUMMARY

SECTION LINE	HOLE	INTERCEPT WIDTH (FEET)	GRADE	
			COPPER %	GOLD oz/ton
8900N	89-150	194	0.15	0.029
	89-151	159	0.03	0.018
9000N	89-101	213	0.07	0.038
	89-104	158	0.01	0.023
	89-116	184	0.04	0.039
	89-132	187	0.04	0.049
9100N	89-88	381	0.06	0.042
	89-92	361	0.02	0.052
	89-108	237	0.33	0.028
	89-232	255	0.06	0.066
9150N	89-180	387	0.17	0.033
	89-184	369	0.02	0.099
	89-193	379	0.16	0.017
9200N	88-66	258	0.05	0.062
	89-83	263	0.01	0.038
	89-84	284	0.06	0.063
	89-103	321	0.21	0.045
	89-163	318	0.06	0.021
9300N	88-61	169	0.10	0.073
		246	0.12	0.045
	89-74	102	0.07	0.035
		167	0.01	0.019
	89-77	308	0.17	0.045
9400N	88-29	268	0.09	0.069
	88-62	223	0.15	0.017
9500N	89-119	243	0.08	0.023
AVERAGE		255 FEET	0.10%	0.043 oz/ton



**CONTINENTAL GOLD CORP**

WHOLE ORE CYANIDATION  
+  
COPPER FLOTATION LEACH RESIDUE  
METALLURGY

---

ZONE	HEAD ASSAYS		RECOVERY (%)					
	CU (%)	AU (oz/ton)	CYANIDATION		ROUGHER FLOTATION		TOTAL	
			Cu	Au	Cu	Au	Cu	Au
MBX	0.40	0.019	-	83.0	91.6	10.2	91.6	93.2
66	0.12	0.037	-	94.1	85.3	2.0	85.3	96.1
				88.6	88.5	6.1	88.5	94.7

- SIMPLE WHOLE ORE CYANIDATION RECOVERD 88.6% OF THE CONTAINED GOLD. AN ADDITIONAL 6.1% OF THE GOLD REPORTED TO THE COPPER CONCENTRATE. TOTAL GOLD RECOVERY IS 94.7% AND TOTAL COPPER RECOVERY IS 88.5%.

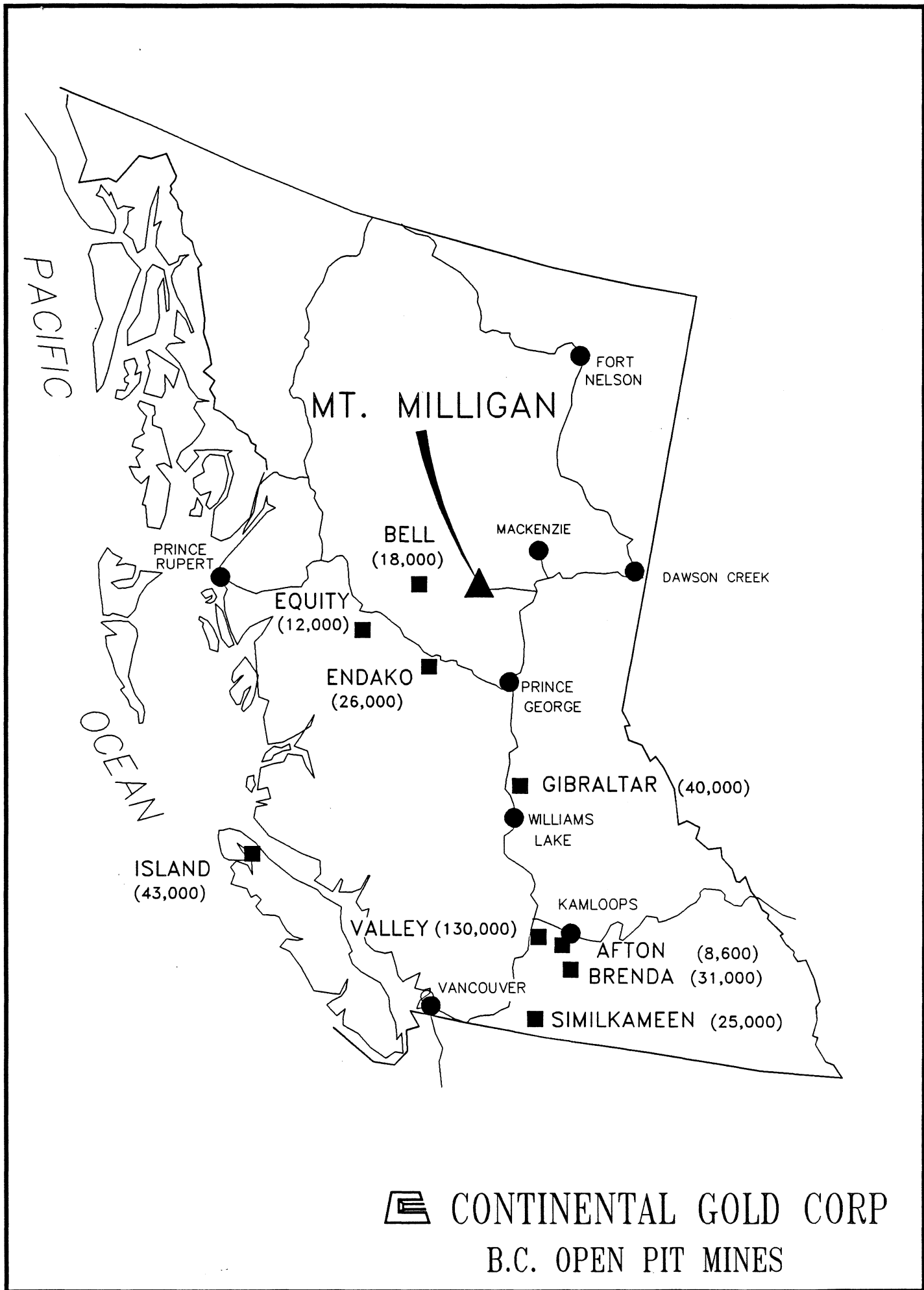


# FLOTATION COPPER CONCENTRATE + CYANIDATION BULK SULPHIDE CONCENTRATE METALLURGY

---

ZONE	HEAD ASSAYS		RECOVERY (%)							
			COPPER FLOTATION		PYRITE FLOTATION + CYANIDATION				TOTAL	
	Cu (%)	Au (oz/ton)	Cu	Au	Cu	Au	Cu	Au	Cu	Au
MBX	0.40	0.019	97.9	80.1	0.7	2.6	–	78.1	97.9	82.1
66	0.12	0.037	–	–	96.8	85.4	–	97.3	–	83.1
									97.9	82.6

- SIMPLE COPPER FLOTATION PROCESSING FOLLOWED BY CYANIDATION OF BULK SULPHIDE CONCENTRATE RECOVERED 82.6% OF THE CONTAINED GOLD.



 **CONTINENTAL GOLD CORP**  
**B.C. OPEN PIT MINES**

<u>MINE</u>	<u>MILLING</u> TONS/DAY	RESERVES			NET REVENUE \$/TON *	CASH COSTS \$/TON
		<u>START OF PRODUCTION</u> TONS (millions)	Cu %	Au opt		
GIBRALTAR	40,000	360	0.37	-	4.70	4.00
BELL	18,000	50	0.50	0.010	9.40	7.50
SIMILKAMEEN	25,000	60	0.53	0.005	7.80	4.80
BRENDA	31,000	180	0.19	-	4.90	3.90
MT. MILLIGAN MODEL	35,000	200	0.30	0.025	14.60	5.00

\* COPPER \$US 1.00/lb  
GOLD \$US 400/oz

 CONTINENTAL GOLD CORP  
B.C. OPEN PIT MINES

# MT MILLIGAN MODEL

## RESERVES

200,000,000 TONS  
0.025 OUNCES GOLD/TON  
0.30% Cu

## MINE OPERATIONS

13,000,000 TONS/YEAR  
35,000 TONS/DAY  
15+ YEAR LIFE

## ANNUAL OPERATIONS

278,000 OUNCES GOLD  
64,000,000 POUNDS COPPER  
NET PRODUCTION COST = \$US 30/OUNCE

COPPER \$US 1.00/lb

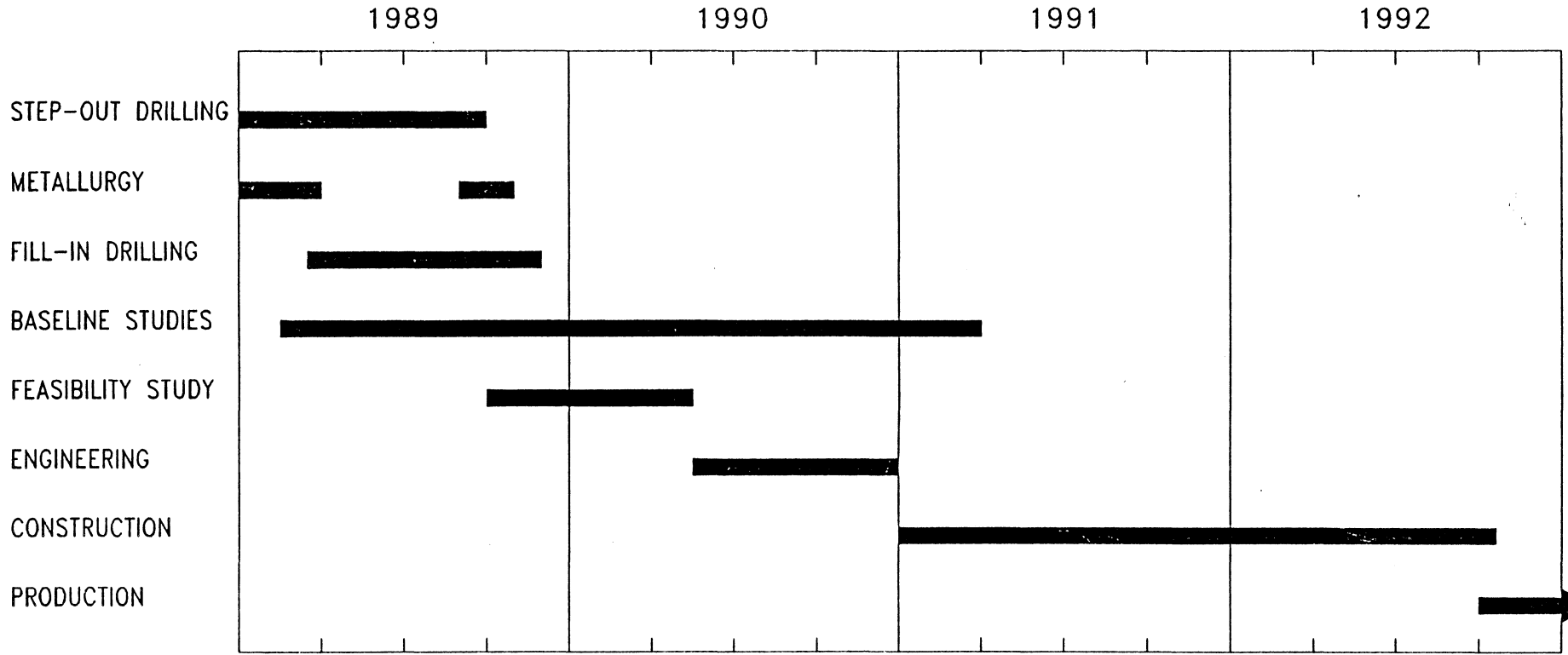
GOLD \$US 400/oz

**Mt. MILLIGAN PROJECT**  
**35,000 TONS/DAY**  
**(13 MILLION TONS/YEAR)**

		RATE OF RETURN	PAYBACK PERIOD (YEARS)	NET PRESENT VALUE (millions \$C) AT 10% DISCOUNT RATE
COPPER \$1.00/GOLD \$400.00		31.3	1.9	291.2
CAPITAL	+15%	27.7	2.3	270.5
OPERATING	+15%	28.9	2.1	253.8
GRADE	-15%	24.6	2.7	189.2
COPPER \$0.80/GOLD \$450.00		31.8	1.9	299.7
COPPER \$0.80/GOLD \$400.00		28.1	2.2	241.8
COPPER \$0.80/GOLD \$350.00		24.3	2.7	184.3

**Mt. MILLIGAN PROJECT**  
**35,000 TONS/DAY**  
**(13 MILLION TONS/YEAR)**

			RATE OF RETURN	PAYBACK PERIOD (YEARS)	CONTINENTAL GOLD PORTION ANNUAL CASHFLOW BEFORE TAX AFTER PAYBACK (MILLIONS \$C)
COPPER \$1.00/GOLD	\$400.00		31.3	1.9	87.8
CAPITAL	+15%		27.7	2.3	87.8
OPERATING	+15%		28.9	2.1	80.1
GRADE	-15%		24.6	2.7	66.8
COPPER \$0.80/GOLD	\$450.00		31.8	1.9	89.5
COPPER \$0.80/GOLD	\$400.00		28.1	2.2	77.6
COPPER \$0.80/GOLD	\$350.00		24.3	2.7	65.8




**CONTINENTAL GOLD CORP**  
 PROJECT SCHEDULE



**ScotiaMcLeod**

## MINING BRIEF

*G. Thomas Komlos*



**August 22, 1989**

*Toronto 416-862-3066  
Montreal 514-287-3600  
New York 212-804-5400  
London, UK 1-256-5656  
Zürich 1-221-3021  
Tokyo 3-592-3870*

### **Continental Gold Corporation (CNT-V \$8 5/8)**

#### **Recommendation: Speculative Buy**

The company recently discovered the large low-grade Mt. Milligan copper-gold deposit near Prince George, B.C.. The project is a 70% Continental Gold and 30% BP Resources Canada joint venture. Continental is the project operator.

Ongoing 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 deposit is suited for large-scale open pit mine development. The currently indicated 150-200 million tons reserves, grading 0.3% copper and 0.02 ounces of gold per ton, could easily be expanded and the grade could move up as well.

Pre-feasibility projections show that based on a 35,000 tons/day operation, the open pit mine would produce 278,000 ounces of gold and 64 million pounds of copper annually over a 15-year-plus mine life. Capital cost of approximately \$230 million would be raised following completion of a feasibility study by mid-1990. Production could commence in late 1992 or early 1993. At an estimated US\$1.00 per pound copper price and US\$400 per ounce gold price, net revenue would amount to US\$14.60 per ton with a cash cost of \$5.00 per ton or a net production cost equalling US\$30 per ounce of gold. This would make Mt. Milligan probably the lowest cost gold producer in North America. On a more conservative price forecast basis of US\$0.80 per pound of copper and \$350 per ounce of gold, the payback period would rise from 1.9 to 2.7 years and the company's portion of pre-tax but after payback cash flow would decline from \$87.8 million to \$65.8 million, or from \$11 to \$8 per share on the fully diluted 8.2 million shares outstanding.





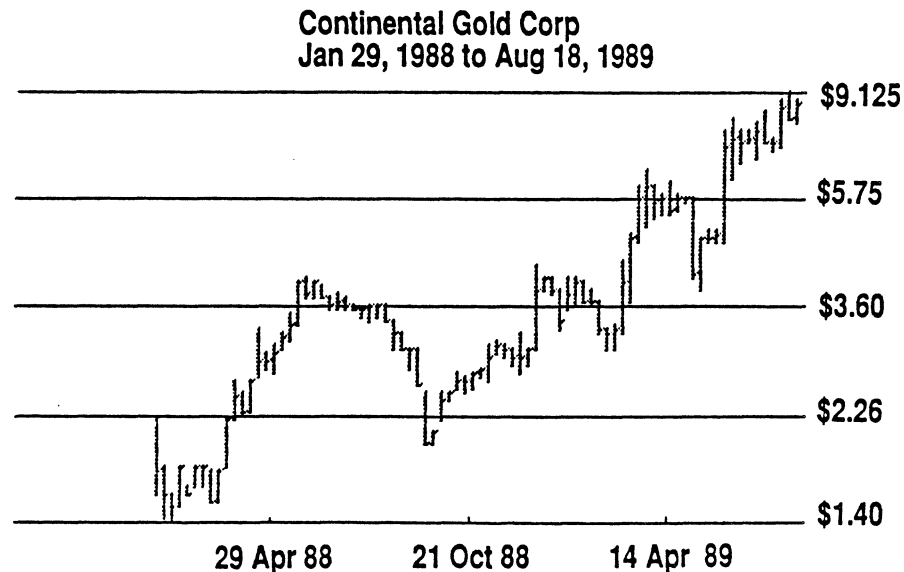
Ground and airborne geophysical exploration surveys have recently been completed over a region south and west of the current deposit area, indicating at least two new major sulphide systems on the property. Drills are being moved to these deposit targets.

Rio Algom (ROM \$26 3/4) owns 628,053 shares of Continental Gold. This position was recently purchased for \$8 per share from Homestake Mining Company. (The latter company holds a right which states that if Rio Algom or any third party were to complete a formal bid for the shares of Continental Gold, it would receive until April 1990 75%-100% of the bid price in excess of \$8 per share.)

Continental Gold is definitely a take-over candidate. Aside from Rio Algom, which appears to have an upper hand, other potential bidders include: Noranda (NOR \$24 7/8) with the large, closely situated, Bell mine closing down operations in 1992 and Brenda in 1990 and; Placer Dome (PDG \$18 3/8) which has the

wherewithal, the presence in British Columbia as well as excellent expertise in these types of operations.

Under the fluid nature of the exploration program and its excellent potential for sizeable expansion of reserves, it is extremely difficult to put a sensible value on the shares of Continental Gold. The stock at the current level is definitely undervalued. As a matter of interest, Hemlo Gold at \$14 3/4 sells at \$203 per ounce of its gold reserves. In the meanwhile, Continental Gold at \$8 5/8 reflects little over \$25 per ounce value on its current ownership of 2.8 million ounces in place. We do not suggest an eight times catch-up potential, as the numbers seem to suggest, but just brought the foregoing comparison forth to demonstrate the existence of a reasonable potential for meaningful capital appreciation in the stock price. The company has \$3.5 million in the bank and no debt. The management of Continental Gold has a proven record and good reputation.



MLN -- 106

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### A new copper/gold company that needs to be watched

Current price US\$4.20

During the last 18 months or so we have consistently advised the purchase of base metal mining companies and stressed that they were, generally speaking, undervalued when compared to pure gold mining situations. Ideally, for the longer term, we have suggested companies which produce both base and precious metals in the belief that earnings would be smooth over time and that eventually, the base metal mining sector would be rerated upwards. We have also pointed out that during the last few years few major base metal ore reserves have been found because most companies have concentrated on gold exploration. In this regard, Continental Gold Corp are of interest in that their Mount Milligan project combines both gold and copper. The project, which is owned 70% by Continental Gold Corp and 30% by BP Resources Canada Ltd is located in British Columbia near Fort St James.

The company currently states that reserves total 200m tons grading 0.025 oz of gold/ton and 0.3% copper. On their current projections, the mine could be started up by the end of 1992 at a capital cost of C\$230m. The company's provisional plans are for a 13m ton/annum operation which would give a 15-year life. Their projections are for an annual production of 278,000 oz of gold and 64m lbs of copper. In order to put this proposed operation into perspective the tables below compare it with Bougainville, Gibraltar and Freeport Copper.

	Copper			Gold	
	Reserve tonnage (mt)	Grade (%)	Contained (mt)	Grade (oz/t)	Contained (m ozs)
Bougainville	710	0.40	2.84	0.015	10.65
Gibraltar	360	0.37	1.33	.	.
Freeport Copper	196	1.59	3.12	0.035	6.86
Continental Gold*	200	0.30	0.60	0.025	5.00

\* geologic reserve

	Number of shares (m)	Share price (US\$)	Market cap (\$m)	Market cap/ton copper reserves (\$)	Market cap/oz gold reserves (\$)
Bougainville	401.0	1.64	658	232	61.3
Gibraltar	12.0	8.00	96	72	.
Freeport Copper	42.6	14 <sup>3</sup> / <sub>8</sub>	677	282	53.4
Continental Gold	8.0	4.20	34	56	6.7

It must be remembered that Continental Gold reserve figures are geologic reserves and it will not be until further drilling is completed and a pit design finalised that mineable reserves are ascertained. Nevertheless, on the above rough comparative basis, reserves stand up well. Valuing reserves on a market capitalisation basis shows that both Bougainville and Freeport Copper are similarly rated in terms of copper and gold. However, Gibraltar is valued much less and the reason for this must be to do with costs of production and the fact that there is no gold content in the reserves. Continental Gold compares fairly with Gibraltar on the copper criteria, particularly considering it is at least three years away from production. However, the gold content is not valued very highly at all and, were the mine to produce at its planned levels, then a significant rerating would have to occur in recognition of the mine as a major North American gold producer. For instance, using the much maligned statistic of market capitalisation per annual ounce of production, gives a figure of \$120/oz for Continental Gold. In our Review of North American Gold Shares the lowest such figure for 1992 production was for BIG at \$520/oz.

Clearly therefore, if the Mount Milligan deposit lives up to Continental Gold's expectations, then the company's share price will have to be significantly rerated. Continental Gold deserves close attention and the entrepreneurial investor may well be advised to acquire an early position. Nevertheless, we must advise also that the marketability is currently very limited which can be a negative factor if things do not turn out as planned.



1444 Alberni Street, Vancouver, British Columbia, Canada, V6G 2Z4

Project 998-413

April 13, 1989

Mr. Jeff Franzen P. Eng.  
Vice President, Engineering  
Continental Gold Corp.  
Suite 1020 - 800 W. Pender Street  
Vancouver, B.C.  
V6C 2V6

Dear Jeff,

This document is conceptual in nature. The report contains an analysis of the Mt. Milligan Project using data provided to Wright Engineers by Continental Gold Corp. Wright Engineers has calculated cashflows using this information.

This project has been analysed using a discounted cashflow approach. This method of analysis requires projecting yearly cash inflows or revenue, and subtracting yearly cash outflows such as operating costs, capital costs and taxes and discounting the difference back to the date of the analysis. Each of the components of the cashflow is discussed below, followed by a tabulated and graphical summary of the results. The cashflow analysis is also attached.

Should you have any questions or comments please do not hesitate to contact me.

Yours very truly,

**WRIGHT ENGINEERS LIMITED**

A handwritten signature in black ink, appearing to read 'Robert Mouat', written in a cursive style.

Robert Mouat  
Manager Valuations

RM:srm  
Encl.

## Mt. Milligan Project

### Data and Assumptions

#### 1.0 Reserves

200,000,000 tons

#### 1.1 Milling Rate

13,000,000 tons per year

#### 1.2 Grades

<u>Copper</u>	<u>Gold</u>
0.30%	0.025 oz/ton

#### 1.3 Recovery

Copper	85%
Gold	90%

#### 1.4 Concentrate Grade

Copper	28% (8% moisture)
--------	-------------------

#### 1.5 Smelter Terms

Copper	deduct 1 unit treatment U.S.\$60/SDT refining U.S.\$0.085/lb
Gold	pay for 95%

#### 1.6 Freight

U.S.\$50 /SWT

**1.7 Metal Prices (base case)**

Copper U.S.\$1.00 /lb

Gold U.S.\$400 /oz

**1.8 Exchange Rate**

\$0.82 U.S./CAN

**1.9 Operating Cost**

35,000 Tons per Day  
(13 million tpy) \$5.00/ton

**1.10 Capital Cost**

35,000 Tons per Day  
(13 million tpy) \$230 million

### Mt. Milligan Project

13 million tpy

<u>13 million tons</u>	Rate of Return ( %)	Payback Period (Years)	Net Present Value (millions \$) at discount rates of			
			0%	5%	10%	15%
Base Case(Cu \$1.00/Au \$400)	31.3	1.9	890.9	504.1	291.2	166.5
Copper \$1.20 Gold \$450	37.2	1.7	1138.7	658.8	394.4	239.3
Copper \$1.00 Gold \$450	34.6	1.8	1026.4	588.7	347.6	206.3
Copper \$0.80 Gold \$450	31.8	1.9	911.3	516.9	299.7	172.5
Copper \$1.20 Gold \$400	34.0	1.8	1003.2	574.2	337.9	199.5
Copper \$1.00 Gold \$400	31.3	1.9	890.9	504.1	291.2	166.5
Copper \$0.80 Gold \$400	28.1	2.2	774.2	430.8	241.8	131.4
Copper \$1.20 Gold \$350	30.7	2.0	867.2	489.3	281.2	159.4
Copper \$1.00 Gold \$350	27.6	2.3	753.9	418.0	233.2	125.3
Copper \$0.80 Gold \$350	24.3	2.7	638.6	345.4	184.3	90.3
Capital +15%	27.7	2.3	872.5	484.1	270.5	145.7
-15%	35.6	1.8	907.6	522.4	310.1	185.7
Operating +15%	28.9	2.1	802.2	448.4	253.8	139.9
-15%	33.4	1.8	978.4	558.8	327.6	192.2
Grade +15%	37.0	1.7	1130.2	653.5	390.8	236.8
-15%	24.6	2.7	650.1	352.7	189.2	93.8



CASHFLOW SUMMARY - PAGE 1

\$ MILLION CAN.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	ACCUM
ORE MILLED (MILLION T)	13.000	13.000	13.000	13.000	13.000	13.000	13.000	5.000	0.000	200.000
ORE GRADE:COPPER (%)	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300
:GOLD (OZ/T)	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025
RECOVERY:COPPER (%)	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0
:GOLD (%)	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0
COPPER CONCENTRATE (000'S SDT)	118.4	118.4	118.4	118.4	118.4	118.4	118.4	45.5	0.0	1821.4
PAYABLE :COPPER (000'S LBS)	63932	63932	63932	63932	63932	63932	63932	24589	0	983571
:GOLD (000'S OZ)	277.9	277.9	277.9	277.9	277.9	277.9	277.9	106.9	0.0	4275.0
COPPER PRICE (US\$/LB)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
GOLD PRICE (US\$/OZ)	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00
COPPER REVENUE (US\$ MILLIONS)	63.932	63.932	63.932	63.932	63.932	63.932	63.932	24.589	0.000	983.571
GOLD REVENUE (US\$ MILLIONS)	111.150	111.150	111.150	111.150	111.150	111.150	111.150	42.750	0.000	1710.000
TOTAL GROSS REVENUE	175.082	175.082	175.082	175.082	175.082	175.082	175.082	67.339	0.000	2693.571
-COPPER SMELTING (\$60/SDT)	7.104	7.104	7.104	7.104	7.104	7.104	7.104	2.732	0.000	109.286
-COPPER TREATMENT (\$.085/LB)	5.434	5.434	5.434	5.434	5.434	5.434	5.434	2.090	0.000	83.604
-TRANSPORTATION (\$50/SWT)	6.434	6.434	6.434	6.434	6.434	6.434	6.434	2.475	0.000	98.991
NET MINEGATE REVENUE (MILLION US)	156.110	156.110	156.110	156.110	156.110	156.110	156.110	60.042	0.000	2401.692
X EXCHANGE RATE	1.220	1.220	1.220	1.220	1.220	1.220	1.220	1.220	1.220	1.220
NET MINEGATE REVENUE (MILLION CA)	190.378	190.378	190.378	190.378	190.378	190.378	190.378	73.222	0.000	2928.892
-OPERATING COST	65.000	65.000	65.000	65.000	65.000	65.000	65.000	25.000	0.000	1000.000
-FEDERAL INCOME TAX	26.329	26.329	26.329	26.329	26.329	26.329	26.329	10.127	0.000	355.834
-PROVINCIAL INCOME TAX	17.553	17.553	17.553	17.553	17.553	17.553	17.553	6.751	0.000	237.378
-MINING TAX	15.986	15.986	15.986	15.986	15.986	15.986	15.986	5.673	0.000	214.794
CASH FLOW BEFORE CAPITAL COSTS	65.510	65.510	65.510	65.510	65.510	65.510	65.510	25.671	0.000	1120.886
-MINE CAPITAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	100.000
-MILL CAPITAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	130.000
-WORKING CAPITAL REQUIRED	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	7.000
+WORKING CAPITAL RECOVERY	0.000	0.000	0.000	0.000	0.000	0.000	0.000	7.000	0.000	7.000
TOTAL CAPITAL COSTS	0.000	0.000	0.000	0.000	0.000	0.000	0.000	-7.000	0.000	230.000
NET EQUITY CASH	65.510	65.510	65.510	65.510	65.510	65.510	65.510	32.671	0.000	890.886
ACCUMULATIVE TOTAL	465.155	530.665	596.175	661.685	727.195	792.705	858.215	890.886	890.886	0.000
DISCOUNTED NCF ( 5.0 %)	38.302	36.478	34.741	33.087	31.511	30.011	28.582	13.576	0.000	504.115
DISCOUNTED NCF (10.0 %)	22.961	20.874	18.976	17.251	15.683	14.257	12.961	5.876	0.000	291.155
DISCOUNTED NCF (15.0 %)	14.081	12.244	10.647	9.258	8.051	7.001	6.088	2.640	0.000	166.481
DISCOUNTED NCF (20.0 %)	8.817	7.347	6.123	5.102	4.252	3.543	2.953	1.227	0.000	89.520
RATE OF RETURN (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	31.3
CONTINENTAL CASHFLOW BEFORE TAX	87.765	87.765	87.765	87.765	87.765	87.765	87.765	38.656	0.000	1189.224
CONTINENTAL CASHFLOW AFTER TAX	45.857	45.857	45.857	45.857	45.857	45.857	45.857	22.870	0.000	623.620



# CONTINENTAL GOLD OFFERS NO ILLUSIONS NO DREAMS NO FANTASIES

## MT. MILLIGAN: A FOUR BILLION DOLLAR REALITY

### **A massive gold and copper discovery**

Five million ounces of gold and two billion pounds of copper have recently been discovered at Continental Gold's 70%-controlled Mt. Milligan property near Prince George, British Columbia. More than 300,000 feet of drilling has revealed over four billion dollars of metal wealth ready to be recovered.

### **An industry leader in the making**

This dual-metal deposit forms a secure cornerstone for unprecedented corporate growth. The substantial cash flows from Mt. Milligan production will vault Continental Gold to industry leadership. Major corporations with output comparable to projected annual production of 400,000 ounces gold and 100,000,000 pounds copper command market valuations well over one billion dollars.

### **A low-cost, long-life development**

Located at surface, the Mt. Milligan deposit is ideal for a high-volume, low-cost, open pit operation using



standard and reliable extraction processes. The 300 million ton plus gold-copper deposit promises continuous metal production well into the next century.

### **Project infrastructure is in place**

Here in British Columbia's mining country, large-scale open pit mines are the norm. After decades of

production some mines are nearing exhaustion, freeing experienced personnel and equipment for Mt. Milligan's development. Nearby communities combine with available roads, rail lines, electric power, water and gentle topography to establish a low-cost formula for profits.

### **Continental Gold's production team is moving fast**

Last year at Mt. Milligan, Canada's largest development program was initiated. Completion of Government permits and site engineering, coupled with a sound financial base, will lead to a construction startup in 1991. Large-scale gold and copper production will quickly follow.

### **You can participate now**

Continental Gold Corp's shares clearly rank among the most powerful growth investments available today. Speak to your broker, or contact Robert Dickinson and Robert Hunter at Continental Gold.  
*Be part of the reality.*



**CONTINENTAL  
GOLD CORP.**

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