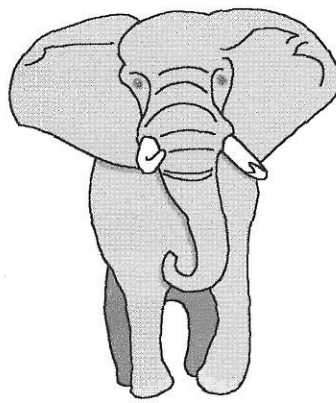




TBS → Pangramma  
Ridge

886301

**GOLDCLIFF RESOURCE CORPORATION**  
(GCN.CDNX)



**elephant country**

(FOR WORLD-CLASS GOLD DEPOSITS)

**THE HEDLEY BASIN GOLD PROJECT**

(SOUTHERN BRITISH COLUMBIA)

**GOLDCLIFF RESOURCE CORPORATION**

Suite 920 - 470 Granville Street, Vancouver, British Columbia

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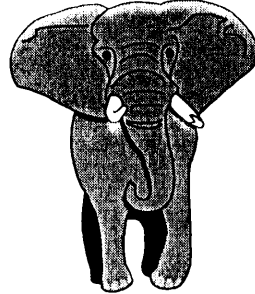
Email: [info@goldcliff.bc.ca](mailto:info@goldcliff.bc.ca)

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(NOVEMBER 2000)

**GOLDCLIFF RESOURCE CORPORATION  
(GCN.CDNX)**

**HEDLEY BASIN GOLD PROJECT**  
"elephant country for gold deposits"



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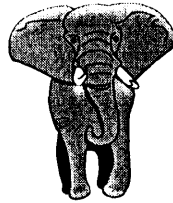
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**GOLDCLIFF RESOURCE CORPORATION IS A PUBLIC COMPANY  
TRADING ON THE CANADIAN VENTURE EXCHANGE (CDNX)  
WITH THE TRADING SYMBOL GCN**

**FOR FURTHER INFORMATION , CONTACT YOUR BROKER OR THE FOLLOWING**  
**Leonard W. Saleken - Edwin R. Rockel - Gary R. Moore**  
**T: 604-685-5685 F: 604-685-5686**  
**E: [info@goldcliff.bc.ca](mailto:info@goldcliff.bc.ca)**  
**W: [www.goldcliff.com](http://www.goldcliff.com)**



## **GOLDCLIFF RESOURCE CORPORATION (GCN.CDNX)**



### **GOLDCLIFF RESOURCE CORPORATION (GCN.CDNX) HAS MADE A MAJOR NEW GOLD DISCOVERY IN THE HEDLEY BASIN, BC, CANADA.**

The Goldcliff property, the Panorama Ridge property, is located 230 kilometres east of Vancouver, in southern British Columbia, and 40 kilometres north of the United States border. Access to the property is from Hedley (Nickel Plate road) or Penticton (Apex Mountain road) off Highway 3.

The Hedley Basin has produced 78,500 kilograms (or 2.5 million ounces of gold) over the past 100 years and is host to the Nickel Plate deposit (74,600 kilograms gold), the largest gold skarn deposit in Canada. The Nickel Plate deposit was mined as an underground mine, with gold grades ranging from 11.70 to 13.97 grams per tonne (0.376 to 0.449 ounces per ton). As an open pit mine, from 1986 to 1996, the Nickel Plate gold grades were 2.57 grams per tonne (0.083 ounce per ton). The Panorama Ridge gold showing is in close proximity to Nickel Plate (3.5 kilometres), and within the same geological formations hosting Nickel Plate.

Goldcliff's Panorama Ridge property has been explored in the past. Placer's 1984 exploration located geophysical and geochemical anomalies worthy of drilling and trenching. In 1985, Placer spotted 15 drill holes and four trenches. Fourteen drill holes were drilled on their primary targets, the Canty deposit and the Horsefly-Terrier prospect, with marginal but encouraging results. On their secondary target, the York anomaly (now Panorama Ridge showing), four trenches were excavated and one drill hole was spotted (Golden North 86-15). Placer's trenching led to the discovery of gold, arsenic, copper and silver mineralization in the bedrock. In 1986, Placer relinquished the Golden North option and drill hole 86-15 was never drilled. Golden North kept the claims in good standing, and without conducting any further exploration work, retained the property until August 2000. Placer's gold discovery remained in obscurity for 15 years.

In the fall of 2000, a new logging road gave access to the area of Placer's trenches (Panorama Ridge showing) and exposed 300 metres of gossan (rusty zone or iron hat), which represents potential Nickel Plate gold mineralization. Goldcliff was conducting regional prospecting in the Hedley Basin at the time, and visited the area of newly exposed outcrop. Goldcliff, realizing the significance of the newly exposed gossan, acted quickly and staked the area in September. The new outcrop demonstrates the connection between old mining districts and where new gold discoveries are most likely to occur.

The new logging activity has exposed the Panorama Ridge showing for 500 metres, well beyond the York anomaly's 1985 limits. Panorama Ridge showing is the most significant new gold discovery in the Hedley Basin. Its discovery emphasises the importance of vigilant exploration in old mining districts - - where new discoveries are most likely to occur:

**- 45 metres averaging 0.81 grams per tonne Au, including 6 metres of 1.34 grams per tonne Au -**

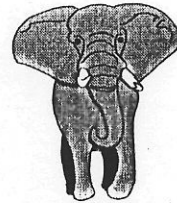
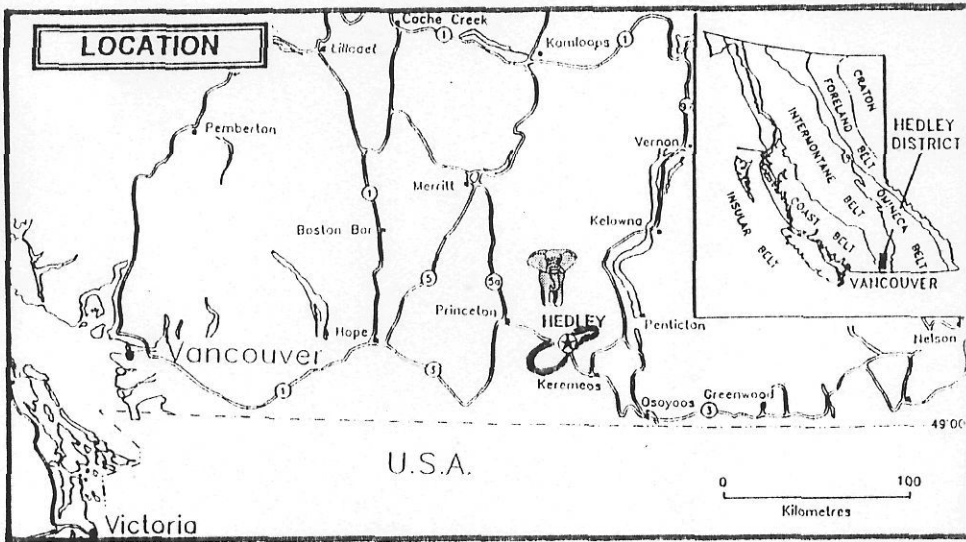
Goldcliff is targeting a multi-million ounce gold deposit such as the Nickel Plate deposit. The Panorama Ridge property - - with its newly exposed geology, sulphide gold mineralization and skarn alteration - - is an excellent start.

**GOLDCLIFF RESOURCE CORPORATION (GCN.CDNX)** is very optimistic about the Hedley Basin's gold potential and believes that the discovery of the Panorama Ridge and Nordic showings are an important first stage towards the development of another world-class gold deposit.

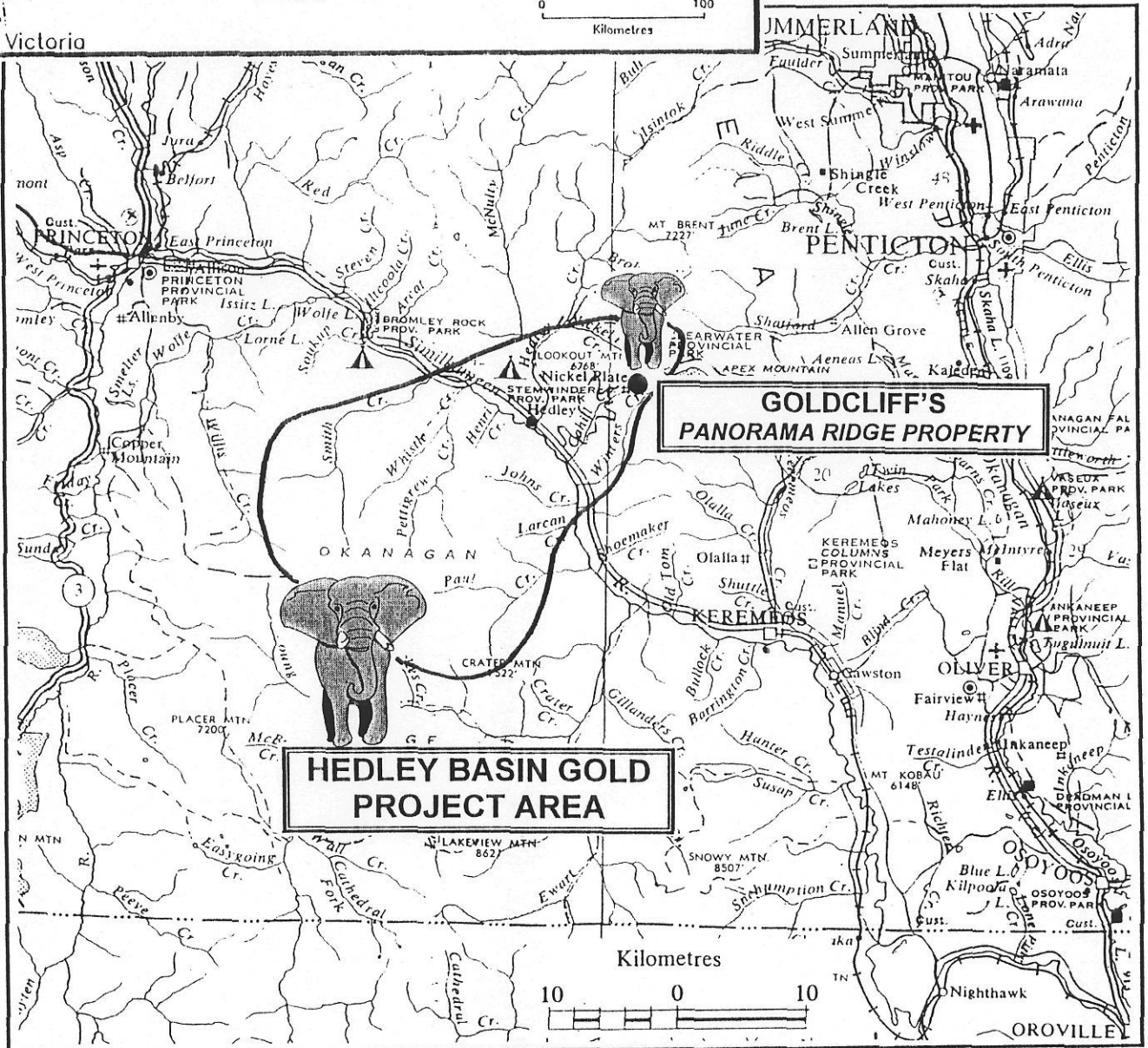
**FOR INTERESTED INVESTORS, GOLDCLIFF IS A DEFINATE INVESTMENT OPPORTUNITY (GCN.CDNX)  
CONTACT US OR YOUR BROKER**

**GOLDCLIFF RESOURCE CORPORATION  
(GCN.CDNX)**

**HEDLEY BASIN GOLD PROJECT - LOCATION MAP**



"elephant gold country"



**Corporate Information**

**GOLDCLIFF RESOURCE CORPORATION (GCN.CDNX)** is a junior resource company based in Vancouver, British Columbia, Canada. The Company's objective has been the exploration and development of mineral properties in Canada and abroad. The focus is to acquire and develop precious and base metal mineral deposits of gold, silver, copper, lead and zinc.

In 1996, Goldcliff added a district office in Mendoza, Argentina which has since closed due to changing economic conditions. In 1999, the Company's focus turned back to North America, with particular attention to its own backyard - the Hedley gold basin of British Columbia (Hedley Basin Gold Project). In 2000, Goldcliff acquired a significant gold skarn property in the Hedley Basin.

Goldcliff's property, Panorama Ridge, is located 3.5 kilometres east of the Nickel Plate mine and adjacent to the mine holdings of Homestake Canada Inc.

Goldcliff was incorporated as a private British Columbia company in 1986 and became a public company on April 28, 1989. Goldcliff is listed on the Canadian Ventures Exchange with the trading symbol "GCN".

**Management Team**

**Directors**

Director: Leonard W. Saleken, P.Geo (1986)  
 Director: Gary R. Moore, MBA (1999)  
 Director: Dr. Francis B. Whiting, P.Eng. (1996)  
 Director: Edwin R. Rockel, P.Geo. (1986)

**Officers**

President/CEO: Leonard W. Saleken  
 CFO: Gary R. Moore  
 Secretary: Graham H. Scott

**LEONARD W. SALEKEN, P.Geo  
 Geologist**

Leonard W. Saleken is the founder of Goldcliff. A graduate of the University of British Columbia in 1968 (Geology) and a professional geoscientist, He has practiced his profession for 30 years. During his career he has been involved in all phases of mining, as a senior manager for both major and junior mining companies, and as a consultant. He has been associated with several major mining projects that have gone into production - Sterling Mine (Nevada), Nickel Plate (BC), Jolu Mine (Saskatchewan), Mount Polley (BC) and Bajo de la Alumbrera (Argentina). Collectively, these deposits amount to 17,000,000 ounces of gold. In the Hedley Basin, he was Exploration Manager for Mascot Gold Mines Limited (1980-1989). He was directly involved with the exploration and in placing the Nickel Plate mine back into production as an open pit operation in 1987.

**GARY R. MOORE, B.Comm., MBA, CMC  
 Corporate Financier**

Gary R. Moore was appointed to Goldcliff's Board of Directors and the position of CFO in November of 1999. He provides the Company with a solid base in corporate finance and management. For the three years prior to his appointment, Gary was Vice President, Corporate Finance of Global Securities Corporation, Vancouver, BC. At present, he is the Chief Investment Officer of an investment counsel firm that he co-founded in 1994. Over the past ten years, Gary has held several related senior and consulting positions in finance and management. His appointment provides considerable market depth to the Company.

**EDWIN R. ROCKEL, P.Geo  
 Mining Geophysicist**

Edwin R. Rockel is a graduate from the University of British Columbia (Geology/Geophysics) in 1966. Edwin's experience includes participation in the discovery of uranium, gold, base metal and diamond bearing kimberlite deposits in North America. He has been employed as a Senior Geophysicist and Chief Geophysicist with mining exploration and contracting companies, and has owned and operated a geophysical contracting/consulting company for the last 20 years. Edwin's geophysical expertise provides Goldcliff with a well rounded and comprehensive exploration approach to the team. In the Hedley Basin and at the Nickel Plate Mine, Edwin R. Rockel was the geophysical mining consultant for Mascot Gold Mines Limited from 1984 to 1988. Edwin's geophysical interpretations of the Nickel Plate mine resulted in the discovery of the Bulldog ore zone.

**DR. FRANCIS B. WHITING, P.Eng  
 Consulting Geological Engineer**

Dr. Whiting is a geological consultant with world-wide mining experience. Dr. Whiting is a graduate of the University of British Columbia in Applied Science (1946). He received his Ph.D. in Geology and Economics from the Massachusetts Institute of Technology in 1951. Dr. Whiting has been instrumental in identifying property acquisitions in Argentina for Goldcliff, most notably the Diente Verde Property. He is an exploration pioneer in Argentina and is credited with discovering several major mineral deposits in the country from 1954 to 1968. His career in Argentina started at the Aguilar Mine, Province of Jujuy, where he discovered significant ore reserves. Among his discoveries in Argentina were Pachon, San Jorge, Mantos de Cobre (Paramillo Sud) and Qda. Del Toro (Paraillo Norte) deposits. In the Hedley Basin, Dr. Whiting worked for Hedley Mascot Gold Mines Ltd. in 1947 and 1948. He wrote his Masters thesis at McGill University on the Good Hope skarn deposit.

**NEWS RELEASE**

(November 14, 2000)

**GOLDCLIFF CONFIRMS SIGNIFICANT GOLD VALUES AT PANORAMA RIDGE- HEDLEY, BC**

**GOLDCLIFF RESOURCE CORPORATION (GCN.CDNX)** is pleased to announce confirmation of significant gold values over substantial sample widths on its Panorama Ridge property in the Hedley Basin, BC. The 725-hectare Panorama Ridge property adjoins the Nickel Plate Mine holdings of Homestake Canada Inc. The Goldcliff property is located 230 kilometres east of Vancouver, in southern British Columbia, and 40 kilometres north of the United States border. Access to the property is from Hedley (Nickel Plate road) or Penticton (Apex Mountain road) off Highway 3. Logging activity in the late fall of 2000 has provided new access and new outcrop associated with the Panorama Ridge and Nordic showings. Trenching (1985) on the Panorama Ridge showing by Placer Development Limited (Placer Dome Inc.) obtained significant gold values in bedrock, ranging from 0.27 grams to 1.50 grams gold per tonne over substantial sample widths. Before Placer could drill their discovery (York anomaly, now Panorama Ridge showing), they dropped the Golden North property option in 1986 without following up on their encouraging trench results.

Goldcliff's claim holdings in the Hedley Basin have been increased to 29 claims (725 hectares) and are located on map NTS 82E031. The Panorama Ridge and Nordic showings are centred on NAD 83 (zone 11) 284000E, 5473200N and 284550E, 5473250N, respectively. The showings and the past gold producers in the Hedley district occur in the Upper Triassic Nicola Group, within Whistle and Hedley Formations. These are the rocks that host auriferous sulphide and gold skarn deposits of world-class stature (million ounce gold deposits) in the Hedley Basin.

The Hedley Basin has produced 78,500 kilograms (or 2.5 million ounces of gold) over the past 100 years and is host to the Nickel Plate deposit (74,600 kilograms gold), the largest gold skarn deposit in Canada. The Nickel Plate deposit was mined as an underground mine for 50 years, with gold grades ranging from 11.70 to 13.97 grams per tonne (0.376 to 0.449 ounces per ton). For 10 years (closing 1996), it was mined as an open pit mine with gold grades of 2.57 grams per tonne (0.083 ounce per ton). The Panorama Ridge gold showing is in close proximity to Nickel Plate (3.5 kilometres), and within the same geological formations hosting Nickel Plate.

Goldcliff's initial compilation of the exploration data on the Panorama Ridge property has proven to be very useful. Placer's 1984 exploration located geophysical and geochemical anomalies worthy of drilling and trenching. In 1985, Placer spotted 15 drill holes and four trenches. Fourteen drill holes were drilled on their primary targets, the Cauty deposit and the Horsefly-Terrier prospect, with marginal but encouraging results. On their secondary target, the York anomaly (now Panorama Ridge showing), four trenches were excavated and one drill hole was spotted (Golden North 86-15). Placer's trenching led to the discovery of gold, arsenic, copper and silver mineralization in the bedrock. In 1986, Placer relinquished the Golden North option and drill hole 86-15 was never drilled. Golden North kept the claims in good standing, and without conducting any further exploration work, retained the property until August 2000. Placer's gold discovery remained in obscurity for 15 years.

In the fall of 2000, a new logging road gave access to the area of Placer's trenches (Panorama Ridge showing) and exposed 300 metres of gossan (rusty zone or iron hat), which represents potential Nickel Plate gold mineralization. Goldcliff was conducting regional prospecting in the Hedley Basin at the time, and visited the area of newly exposed outcrop. Goldcliff, realising the significance of the newly exposed gossan, acted quickly and staked the area in September. The new outcrop demonstrates the connection between old mining districts and where new gold discoveries are most likely to occur. Logging has intensified in the area and, for safety reasons, has limited Goldcliff's access and evaluation of the new outcrops. Through field visits, Goldcliff has gained sufficient geological information and samples to formulate an exploration program on the Panorama Ridge and Nordic showings for 2001.

The **Panorama Ridge showing** (NAD83: 284000E, 5473200N) is situated on the western slope of Panorama Ridge, approximately 50 metres down slope from its crest, in the Cahill Creek drainage basin. As of the end of October, a new logging road has exposed 500 metres of gossan and sulphide mineralization along with skarn float. The exposure is around the 1820 metre level and trends in a northeast-southwest direction. The zone appears to continue to the southwest, where more logging activity is taking place. The showing is exposed over a vertical distance of 200 metres in a southeast to northwest direction from elevation 1800 to 1880 metres. The showing contains strong gossan development (rusty zone or iron hat) containing pervasive and fracture related pyrite-pyrrhotite-chalcopyrite sulphide mineralization. Skarn alteration occurs in outcrop and in float within the showing. The rocks are Late Triassic Nicola Group. Outcrops consist of Whistle Formation tuffs and Hedley Formation sediments that have been altered and intruded by Hedley diorite dykes. Limestone fragmental rocks, some altered, along with calcareous sediments are present.

## GCN (continued from page 1)

Skarn alteration consists of scapolite, garnet, epidote, iron-rich pyroxene and calc-silicate minerals. Massive pyrite-pyrrhotite boulder float is exposed and associated with the skarns. Hand trenches, possibly dating back to the early 1900s, have been located. The trenching (four trenches) conducted by Placer Development Limited (Placer Dome Inc.) in 1985 is well exposed and in good shape. Samples have been taken from various outcrops.

The Placer trenches on the Panorama Ridge showing were excavated based on a coincidental gold, arsenic and copper soil anomaly. Four trenches, totalling 260 metres, were dug and chip sampled at three metre intervals. The samples were analyzed for gold, arsenic, copper and silver at Placer's laboratory. The results of the sampling and the location of the trenches are summarised as follows:

TRENCH ES		Sample Interval (metres)	Sample Length (metres)	Au (g/tonne)	Cu (ppm)	As (ppm)	Ag (ppm)
<b>Trench</b>	<b>1</b>	0- 7	7	0.02	346	8	0.5
Location	283980E	7 - 10	3	0.10	430	1	0.7
NAD83	5473270N	10 - 52	42	0.03	318	10	0.6
Elevation	1800	<b>52 - 70</b>	<b>18</b>	<b>0.15</b>	<b>462</b>	<b>88</b>	<b>1.8</b>
Length	70						
Azimuth	135°						
<b>Trench</b>	<b>2</b>	0 - 63	63	0.02	235	5	0.3
Location	283920E						
NAD83	5473244N						
Elevation	1800						
Length	63						
Azimuth	105°						
<b>Trench</b>	<b>3</b>	<b>0 - 3</b>	<b>3</b>	<b>0.32</b>	203	1	0.1
Location	284038E	3 - 12	9	0.04	63	1	0.1
NAD83	5473195N	<b>12 - 18</b>	<b>6</b>	<b>0.53</b>	129	1	0.1
Elevation	1860	<b>18 - 24</b>	<b>6</b>	<b>1.34</b>	212	1	0.1
Length	57	<b>24 - 57</b>	<b>33</b>	<b>0.55</b>	173	1	0.1
Azimuth	135°						
<b>Trench</b>	<b>4</b>	0 - 6	6	0.07	229	1	0.1
Location	284175E	<b>6 - 18</b>	<b>12</b>	<b>0.12</b>	210	1	0.1
NAD83	5473380N	18 - 63	45	0.04	289	1	0.1
Elevation	1840						
Length	63						
Azimuth	080°						

All the trenches are anomalous in gold and copper, with the exception of trench 1, which contains anomalous arsenic and silver. Trench 3 contains the most significant gold values, and is the location of Placer's drill hole 86-15 (never drilled). This area (York anomaly) contains massive sulphide float, skarn alteration and continuous gold mineralization in bedrock:

**- 45 metres (135 feet) averaging 0.81 grams per tonne Au, including 6 metres of 1.34 grams per tonne Au -**

The new logging activity has exposed the Panorama Ridge showing for 500 metres, well beyond the York anomaly's 1985 limits. Panorama Ridge showing is the most significant new gold discovery in the Hedley Basin. Its discovery emphasises the importance of vigilant exploration in old mining districts -- where new discoveries are most likely to occur.

Goldcliff is targeting a multi-million ounce gold deposit such as the Nickel Plate deposit. The Panorama Ridge property -- with its newly exposed geology, sulphide gold mineralization and skarn alteration -- is an excellent start.

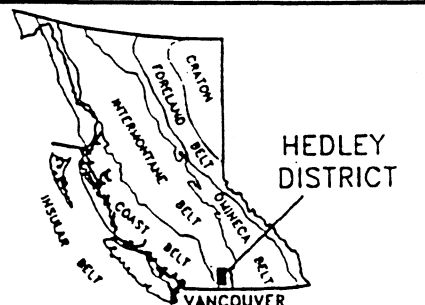
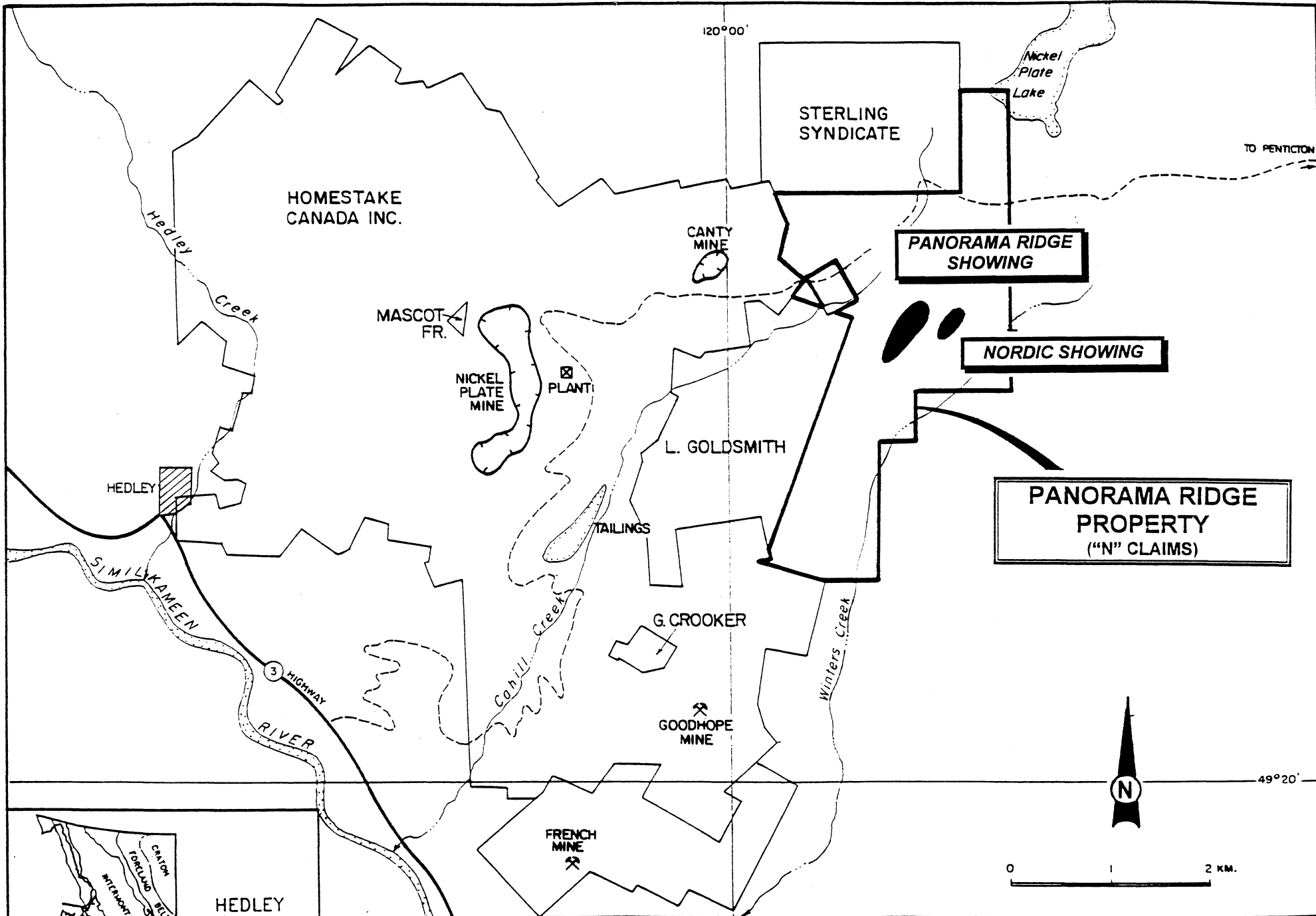
**GOLDCLIFF RESOURCE CORPORATION (GCN.CDNX)** is very optimistic about the Hedley Basin's gold potential and believes that the discovery of the Panorama Ridge and Nordic showings are an important first stage towards the development of another world-class gold deposit.

### GOLDCLIFF RESOURCE CORPORATION

Per: "Leonard W. Saleken"

Leonard W. Saleken, PGeo  
President

The Canadian Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the contents of this news release



**GOLDCLIFF RESOURCE CORPORATION (GCN.CDNX)**

**HEDLEY BASIN GOLD PROJECT  
(HEDLEY NORTH - NICKEL PLATE AREA)  
PROPERTY MAP**

DATE: OCT. 2000    SCALE: 1:50,000    FIGURE NO.: 1.0



## NEWS RELEASE

### GOLDCLIFF IDENTIFIES TWO POTENTIAL GOLD ZONES ON HEDLEY BASIN GOLD PROPERTY

November 03, 2000

**GOLDCLIFF RESOURCE CORPORATION (GCN.CDNX)** is pleased to announce that the Company has identified two potential gold zones (Panorama Ridge and Nordic showings) on its Hedley Basin property. The 700-hectare Panorama Ridge property adjoins the Nickel Plate Mine holdings of Homestake Canada Inc. The Goldcliff property is located 230 kilometres east of Vancouver, in southern British Columbia, and 40 kilometres north of the United States border. Access to the property is from Hedley or Penticton off Highway 3. Logging activity in late fall has exposed the Panorama Ridge and Nordic showings. Because of the logging activity, Goldcliff has been hampered from carrying out a thorough investigation of the showings and the property. Through field visits, Goldcliff has gained sufficient geological information to formulate an exploration program on Panorama Ridge and Nordic showings for 2001.

Goldcliff's claim holdings in the Hedley Basin consist of 28 claims (700 hectares), located on map NTS 82E031. The Panorama Ridge and Nordic showings are 500 metres apart (east-west) and located on claims "N-6" and "N-5", respectively. These two claims represent seven per cent of the claims total area. The Panorama Ridge showing is centred on 284000E, 5473200N (NAD83, zone 11). The Nordic showing is centered on 284550E, 5473250N (NAD83 zone 11). The two showings straddle the higher elevations of Panorama Ridge (1900 metres). Panorama Ridge trends northeast to southwest for approximately six kilometres. The ridge is bounded on the west by Cahill Creek and on the east by Winters Creek, the valley floor being the Similkameen River (500 metres). The Good Hope mine (1500 metres) and French mine (1300 metres) are located at its lower elevations. Geographically, Cahill Creek separates the Nickel Plate and Canty mines (on the west) from the Panorama Ridge and Nordic showings (on the east). Cahill Creek drains to the south and trends in a north east-south west direction. All four outcrop at elevations ranging from 1700 to 1850 metres. Geologically, all four are in the Upper Triassic Nicola Group, and within Whistle and Hedley Formations. These are the rocks that host gold sulphide and skarn gold deposits of world-class stature (million ounce gold deposits) in the Hedley Basin.

The **Panorama Ridge showing** is situated on the western slope of Panorama Ridge, approximately 50 metres down slope from its crest, in the Cahill Creek drainage basin. As of the end of October, a new logging road has exposed 500 metres of gossan and sulphide mineralization along with skarn float. The exposure is around the 1820 metre level and trends in a northeast-southwest direction. The zone appears to continue to the southwest where more logging activity is taking place. The showing is exposed over a vertical distance of 200 metres in a southeast to northwest direction from elevation 1800 to 1880 metres. The showing contains strong gossan development (rusty zone or iron hat) containing pervasive and fracture related pyrite-pyrrhotite-chalcopyrite sulphide mineralization. Skarn alteration occurs in outcrop and in float within the showing. The rocks are Late Triassic Nicola Group. Outcrops consist of Whistle Formation tuffs and Hedley Formation sediments that have been altered and intruded by Hedley diorite dykes. Limestone fragmental rocks, some altered, along with calcareous sediments are present. Skarn alteration consists of scapolite, garnet, epidote, iron-rich pyroxene and calc-silicate minerals. Massive pyrite-pyrrhotite boulder float is exposed and associated with the skarns. Hand trenches possibly dating back to the early 1900s have been located. The trenching conducted by Placer Development Limited (Placer Dome Inc.) in 1985 are well exposed and in good shape. Samples have been taken from various outcrops.

The **Nordic showing** is situated on the eastern slope of Panorama Ridge, approximately 50 metres down slope from its crest, at an elevation of 1840 metres. The two showings are 500 metres apart. The Nordic showing is within the Winters Creek drainage basin, which drains to the southwest. A new logging road has exposed the showing for a length of 200 metres in a northeast-southwest direction and vertically for 50 to 75 metres. The Nordic showing is geologically similar to the Panorama Ridge showing, as both contain gossan mineralization in altered tuff and sediments. To date, skarn alteration has not been located in the new exposures. The showing contains several hand trenches (1900s) with pervasive and fracture related pyrite-pyrrhotite (chalcopyrite) sulphide mineralization. There is no physical evidence of any newer work. Overburden is extensive in the area due to the gentle slope of the terrain off to the east. Although the two showings are separated by 500 metres of cover, it is very likely that they are geologically related because of similar rock types, alteration and sulphide mineralization. Samples have been taken from various outcrops.

## GCN (continued from page 1)

Goldcliff's exploration strategy is to acquire all of the previous geological, geochemical and geophysical work conducted on the Panorama Ridge property into a common digital database. The primary data sources are from the BC Government assessment reports (ARIS) which date back to the 1950s. Other important sources of information are the BC Minfiles, Hedley area mining reports (1940-1950) by Billingsley and Dolmage on the Nickel Plate deposits and GSC reports: Memoir 2 (Camsell, 1910), Summary Report 1922 (Cairnes, 1923), Summary Report 1929 (Bostock, 1930) and Memoir 243 (Rice, 1946). BC Geological publications by G.E. Ray and G.L. Dawson, Bulletin 87 (1994) and A.D. Attlinger and G.E. Ray, Paper 1989-3 (1989) provide excellent scientific information concerning gold skarn deposits and veins in the Hedley Basin. Once compiled into a common database, Goldcliff will apply new technology to interpret the information and develop exploration targets.

From ARIS, Goldcliff has determined that the most extensive exploration work conducted on the Panorama Ridge property was by Placer Development Limited (Placer Dome Inc.) from 1983 to 1985. Placer's ARIS reports cover Goldcliff's Panorama Ridge property in considerable detail with geochemical and geophysical grid surveys. Placer Dome Inc. has been contacted by Goldcliff for additional exploration information on the property not submitted for assessment work. Placer has agreed to forward the requested information.

From 1983 to 1985, Placer had 3900 hectares under option from Good Hope Resources Limited and Primont Resources Ltd. that are now covered by the "N" claims. Placer's exploration work covered most of the 3900 hectares in considerable detail. Grid construction consisted of 243.8 kilometres of east-west survey lines that were spaced 100 metres apart, with sample stations at 20 metre intervals. The soil survey consisted of collecting 5964 soil samples from the B horizon and systematically analyzing them for Au, As and Cu. Select samples were analyzed for Mo, Bi, Co and Sb. All of the analytical work was conducted at Placer's laboratory. A total of 228.1 kilometres of magnetic and VLF electro-magnetic surveys was completed. The induced polarization survey consisted of 63.4 kilometres. As follow-up work to the geochemical and geophysical surveys, Placer constructed 4.3 kilometres of access roads, excavated four trenches totaling 260 metres and drilled 14 NQ core holes for a total of 1606.3 metres. In 1986, Placer dropped the options on the claims.

Goldcliff's Panorama Ridge property was systematically surveyed by Placer with soil sampling, magnetic and VLF geophysical surveys, and was partially covered by the induced polarization survey. On the Panorama Ridge showing, road access was provided and the four trenches were excavated and sampled (results are being compiled). There was no trenching conducted on the Nordic showing. Drilling was neither conducted on the Panorama nor the Nordic showings. Three holes were drilled to the north of the two showings. The other 11 holes were drilled on the Horesfly-Terrier prospect and the Canty deposit, which are located to the west of Panorama Ridge and Nordic showings on ground now held by Homestake Canada Inc. Goldcliff's plans are to digitize and evaluate Placer's data to provided trenching and drilling targets for the 2001 exploration program.

The Hedley Basin contains gold deposits related to skarns and diorite intrusions as replacement, vein and disseminated mineralised zones within the Late Triassic Nicola Group. Gold production has come from five mines that were active from 1904 to 1996. The Hedley Basin has produced 78,500 kilograms (or 2.5 million ounces of gold) over the past 100 years, and is host to the Nickel Plate deposit (74,600 kilograms gold), the largest gold skarn deposit in Canada. The Nickel Plate deposit was mined as an underground mine for 50 years with gold grades ranging from 11.70 to 13.97 grams per tonne (0.376 to 0.449 ounces per ton). For 10 years (closing 1996), it was mined as an open pit mine with gold grades of 2.57 grams per tonne (0.083 ounce per ton). The Panorama Ridge and Nordic showings are in close proximity to Nickel Plate (3.5 kilometres), Canty (2.0 kilometres), Good Hope (4.0 kilometres) and French (6.0 kilometres) mines. Geologically, the showings are in the same rocks that host all the other deposits.

Goldcliff is targeting a multi-million ounce gold deposit such as the Nickel Plate deposit. The Panorama Ridge property - with its newly exposed geology, sulphide mineralization and skarn alteration - is an excellent start.

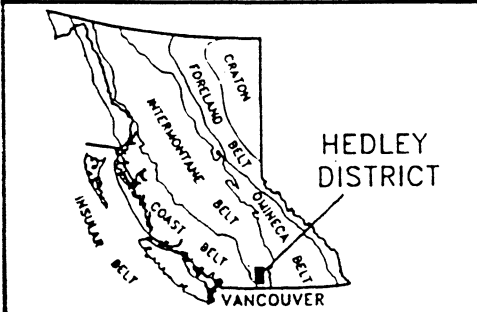
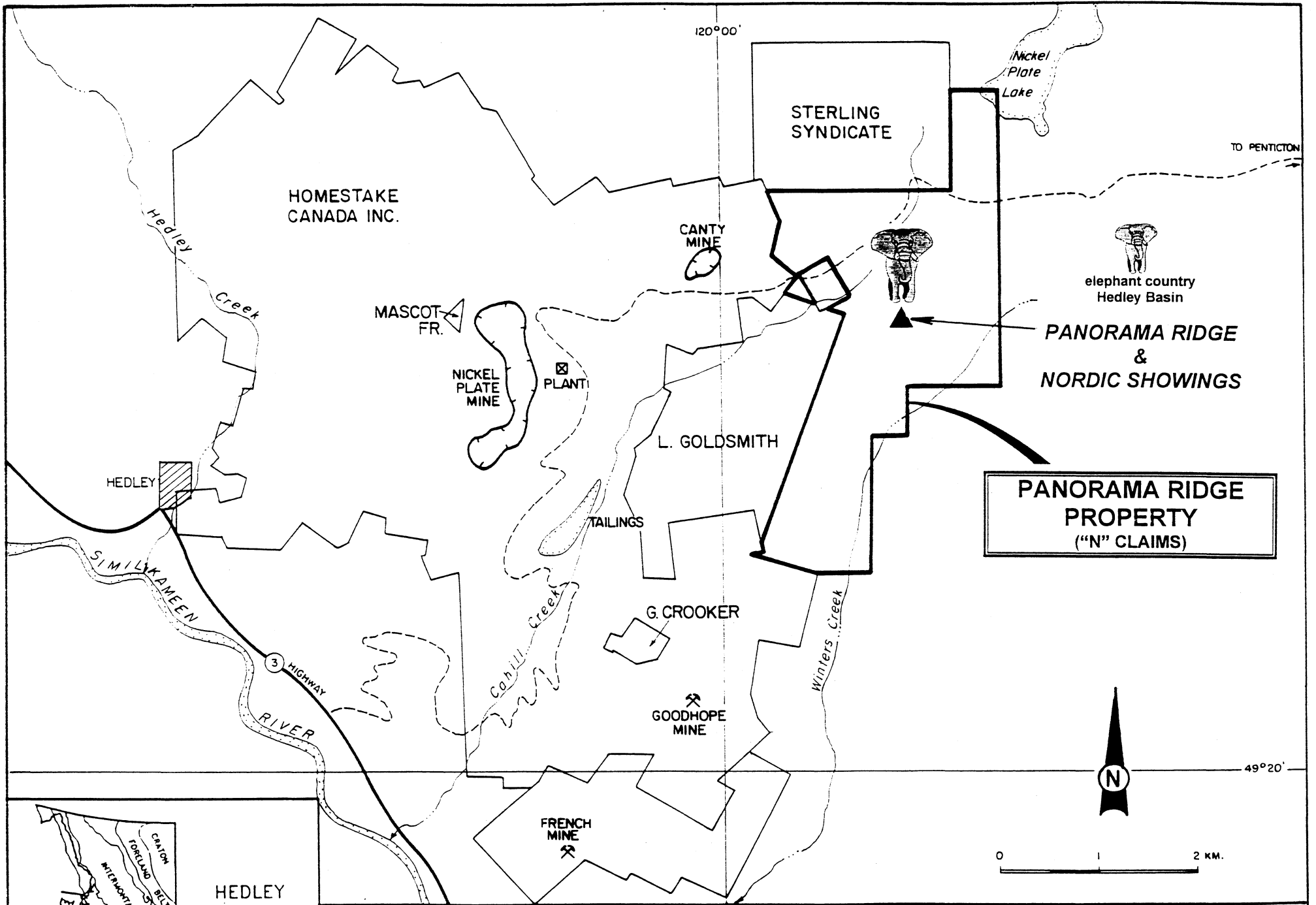
**GOLDCLIFF RESOURCE CORPORATION (GCN.CDNX)** is very optimistic about the Hedley Basin's gold potential and believes that the discovery of the Panorama Ridge and Nordic showings are an excellent first stage towards the development of another world-class gold deposit.

### **GOLDCLIFF RESOURCE CORPORATION**

Per: "*Leonard W. Saleken*"

Leonard W. Saleken, PGeo  
President

The Canadian Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the contents of this news release



**GOLDCLIFF RESOURCE CORPORATION (GCN.CDNX)**

**HEDLEY BASIN GOLD PROJECT  
(HEDLEY NORTH - NICKEL PLATE AREA)  
PROPERTY MAP**

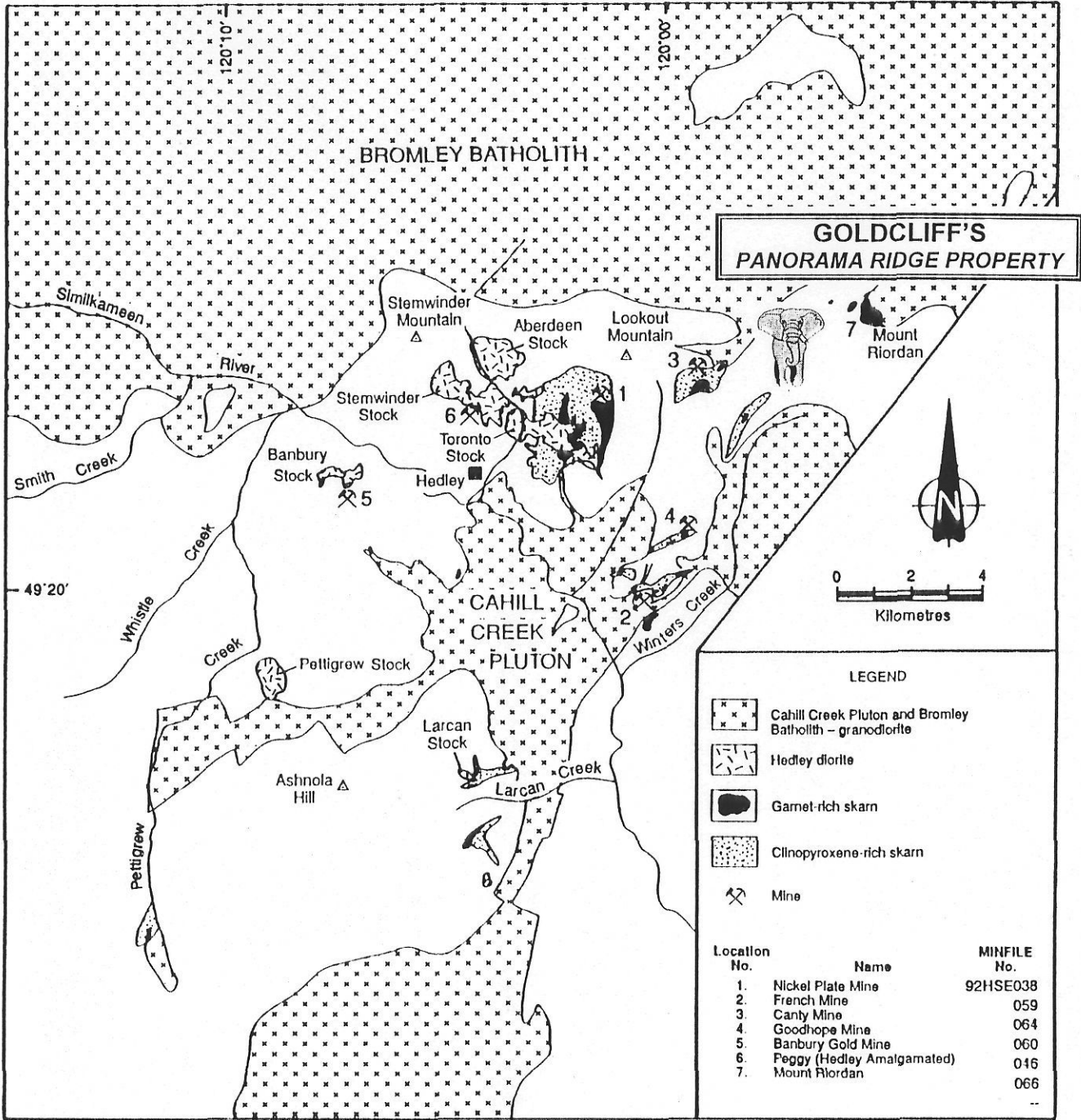
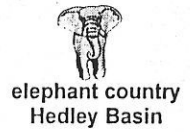
DATE : OCT. 2000

SCALE 1:50,000

FIGURE NO. : 1.0

GOLDCLIFF RESOURCE CORPORATION  
(GCN.CDNX)

HEDLEY BASIN GOLD PROJECT  
AREAS OF MAJOR SKARN DEVELOPMENT



**LEGEND**

- Cahill Creek Pluton and Bromley Batholith - granodiorite
- Hedley diorite
- Garnet-rich skarn
- Clinopyroxene-rich skarn
- Mine

Location No.	Name	MINFILE No.
1.	Nickel Plate Mine	92HSE038
2.	French Mine	059
3.	Canty Mine	064
4.	Goodhope Mine	060
5.	Banbury Gold Mine	046
6.	Peggy (Hedley Amalgamated)	066
7.	Mount Riordan	--

## NEWS RELEASE

### GOLDCLIFF TARGETS MULTI-MILLION OUNCE GOLD DEPOSITS IN THE HEDLEY BASIN (BC)

October 10, 2000

**GOLDCLIFF RESOURCE CORPORATION (GCN.CDNX)** is pleased to announced that the Company has undertaken an extensive study and evaluation of the Hedley Basin (British Columbia) for its world-class gold potential. It has produced 78,500 kilograms or 2.5 million ounces of gold over the past 100 years. The Hedley Basin is host to the Nickel Plate deposit (74,600 kilograms gold), the largest gold skarn deposit in Canada. Covering 1000 square kilometres, the Hedley Basin is composed of Late Triassic Nicola Group sedimentary and volcanic rocks. The basin area, which is relatively under explored, contains rock units with world-class gold deposit potential.

The Hedley Basin is located 230 kilometres east of Vancouver, in southern British Columbia, and 40 kilometres north of the United States border. Access to, and in, the basin is excellent. The Hedley Basin covers an area of approximately 1000 square kilometres. The basin configuration trends in a northeast-southwest direction for 40 kilometres and northwest-southeast for 25 kilometres. The Hedley Basin is geographically subdivided by the Similkameen River valley (Highway 3) into a north portion (Hedley Basin North) and a south portion (Hedley Basin South). Hedley Basin North (300 square kilometres) contains the Hedley mining district and the former gold producing mines. Hedley Basin South (700 square kilometres) contains the same geology and significant exploration potential.

The Hedley Basin contains gold deposits related to skarns and intrusions as replacement, vein and disseminated mineralized zones within the Late Triassic Nicola Group. Gold production has come from five mines that were active from 1904 to 1996. From 1980 to 1987, an aggressive period of exploration occurred in the Hedley Basin, which generated a large amount of geological, geochemical and geophysical information. The BC Geological Survey conducted fieldwork in the Hedley Basin from 1985 to 1987 and published their results in 1994, in Bulletin 87.

Over the past several months, Goldcliff has been compiling and evaluating the Hedley Basin data from assessment and company files. Goldcliff's objective is to identify favourable gold environments for acquisition and further exploration.

Goldcliff has an in-house team of experts on the Hedley Basin: Leonard W. Saleken, PGeo (former Exploration Manager, Mascot Gold Mines Limited, 1980-1989); Edwin R. Rockel, PGeo (Geophysical Consultant, Mascot Gold Mines Limited, 1984-1988) and Dr. Francis B. Whiting, PEng, (Hedley Mascot Gold Mines Ltd., 1949-1950; he wrote a Masters thesis at McGill University on the Good Hope skarn deposit).

Goldcliff is targeting multi-million ounce gold deposits such as the Nickel Plate deposit. The Hedley Basin has produced a world-class gold mine in the past and the geological evidence indicates that the basin can produce another.

**GOLDCLIFF RESOURCE CORPORATION (GCN.CDNX)** is very optimistic about the Hedley Basin's gold potential and believes that they can successfully discover another world-class gold deposit.

### GOLDCLIFF RESOURCE CORPORATION

Per: "Leonard W. Saleken"

Leonard W. Saleken, PGeo  
President

The Canadian Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the contents of this news release



**GOLDCLIFF RESOURCE CORPORATION**

(GCN.CDNX)

**elephant country**

(A WORLD-CLASS GOLD DEPOSIT DISTRICT)

**HEDLEY BASIN GOLD PROJECT**

(SOUTHERN BRITISH COLUMBIA)

**GOLDCLIFF RESOURCE CORPORATION**

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**Web: [http:// www.goldcliff.com](http://www.goldcliff.com)**

**(OCTOBER 2000)**

**Corporate Information**

**Goldcliff Resource Corporation (GCN.CDNX)** is a junior resource company which is based in Vancouver, BC, Canada and our objective has been the exploration and development of mineral properties in Canada and abroad. The Company's focus is to acquire and develop mineral deposits of gold, silver, copper, lead and zinc.

In 1996, we added a district office in Mendoza, Argentina which has since closed due to changing economic conditions. Our focus will now turn back to North America, and Goldcliff is optimistic that the Company will successfully acquire a significant project.

Goldcliff has recently refocused its efforts on its own backyard in the Hedley Basin of BC.

Goldcliff was incorporated as a private British Columbia company in 1986 and became a public company on April 28, 1989. Goldcliff is listed on the Canadian Ventures Exchange with the trading symbol "GCN".

**Directors**

Director: Leonard W. Saleken, P.Geo.  
Director: Gary R. Moore, MBA  
Director: Dr. Francis B. Whiting, P.Eng.  
Director: Edwin R. Rockel, P.Geo.

**Officers**

President/CEO: Leonard W. Saleken  
CFO: Gary R. Moore  
Secretary: Graham H. Scott

**THE HEDLEY BASIN GOLD PROJECT**

**Corporate Objectives**

**Goldcliff Resource Corporation (GCN.CDNX)** has undertaken an extensive study and evaluation of the Hedley Basin (British Columbia) for its world-class gold potential. It has produced 78,500 kilograms or 2.5 million ounces of gold over the past 100 years. The Hedley Basin is host to the Nickel Plate deposit (74,600 kilograms gold), the largest gold skarn deposit in Canada. Covering 1000 square kilometres, the Hedley Basin is composed of Late Triassic Nicola Group sedimentary and volcanic rocks. The basin area, which is relatively under explored, contains rock units with world-class gold deposit potential.

The Hedley Basin is located 230 kilometres east of Vancouver, in southern British Columbia, and 40 kilometres north of the United States border. Access to, and in, the basin is excellent.

The Hedley Basin contains gold deposits related to skarns and intrusions as replacement, vein and disseminated mineralized zones within the Late Triassic Nicola Group. Gold production has come from five mines that were active from 1904 to 1996. From 1980 to 1987, an aggressive period of exploration occurred in the Hedley Basin, which generated a large amount of geological, geochemical and geophysical information. The BC Geological Survey conducted fieldwork in the Hedley Basin from 1985 to 1987 and published their results in 1994, in Bulletin 87.

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## OVERVIEW of the HEDLEY BASIN GOLD PROJECT

<b>Name</b>	Hedley Basin	<b>Mining Division</b>	British Columbia: Osoyoos & Similkameen
<b>Status</b>	World-Class Gold District	<b>NTS</b>	092H01/08 <sup>NAD 83</sup> 082E04/05 <sup>NAD 83</sup>
<b>Latitude Longitude</b>	49 10-49 25 N 119 55-120 20 W	<b>UTM</b>	Zone 10: 692000 to 718000E, 5452000 to 5478000N Zone 11: 282000 to 288000E, 5464000 to 5478000N
<b>Commodities</b>	Gold Silver Arsenic Copper Zinc Cobalt Lead Bismuth Nickel Molybdenum	<b>Deposit Types</b>	Au skarn, vein, disseminated deposits
<b>Tectonic Belt</b>	Intermontane	<b>Terranes</b>	Quesnel, Plutonic Rocks.
<b>Project Overview</b>	<p><b>INTRODUCTION</b></p> <p>The Hedley Basin is located 230 kilometres east of Vancouver, in southern British Columbia, and 40 kilometres north of the Washington state border. The town of Hedley is its focal point. Gold was first discovered in 1898 and production commenced in 1904. Over a period of 100 years, the Hedley Basin has produced 78,506,148 grams gold (2,524,313 ounces). The Nickel Plate deposit, the largest gold skarn in Canada, was responsible for 97 per cent of the gold production. The potential for discovering new world-class gold deposits in the Hedley Basin is exceptional.</p> <p>The Hedley Basin is comprised of Paleozoic to Jurassic marine volcanic and sedimentary rocks and comagmatic intrusions (Nicola Group), formed in island arc and marginal back-arc basin environments (Ray et al, 1994). The Hedley Basin covers an area of approximately 1000 square kilometres. The basin configuration trends in a northeast-southwest direction for 40 kilometres and northwest-southeast for 25 kilometres. The Hedley Basin is geographically subdivided by the Similkameen River valley (Highway 3) into a north portion (Hedley Basin North) and a south portion (Hedley Basin South). Hedley Basin North (300 square kilometres) contains the Hedley mining district and the former gold producing mines. Hedley Basin South (700 square kilometres) contains the same geology and significant exploration potential.</p> <p><b>MINING HISTORY AND GOLD PRODUCTION</b></p> <p>The Hedley Basin has had a long history of gold production (1904 to 1996) from the Hedley North mining district. During this period, 78,506,148 grams (2,524,313 ounces) of gold were produced from auriferous skarn deposits. The Nickel Plate and Hedley-Mascot mines produced more than 97 per cent of the gold from a single gold-skarn deposit (Nickel Plate deposit). Smaller production came from the French, Good Hope and Canty gold skarns. A small amount of gold production came from the Banbury quartz-carbonate veins (Maple Leaf and Pine Knot) located in Hedley Basin South:</p> <ul style="list-style-type: none"> <li>- <b>1904 to 1996</b>, Nickel Plate deposit: 74,616,372 grams gold (2,399,240 ounces)</li> <li>- <b>1939 to 1996</b>, Canty deposit: 2,331,046 grams gold (74,954 ounces)</li> <li>- <b>1950 to 1983</b>, French deposit: 1,362,392 grams gold (43,807 ounces)</li> <li>- <b>1946 to 1982</b>, Good Hope deposit: 166,915 grams gold (5,367 ounces)</li> </ul>		



– 1933 to 1937, Banbury veins: 29,423 grams gold (946 ounces)

During its mining history, the Hedley Basin has had three major episodes of gold production and one major period of extensive regional exploration activity.

Discovery of the Nickel plate deposit occurred in 1898. Mining initially took place between 1904 and 1930, after which the Nickel Plate mine closed due to the lack of gold reserves. The operators of the mine during this period included the Yale Mining Co. & Daily Reduction Co. (1904-1910) and the Hedley Gold Mining Co. (1910-1935). From 1930 to 1934, Paul Billingsley, a well-known American geologist, re-examined the geology of the Nickel Plate deposit and discovered new gold reserves sufficient enough to reopen the mine in 1934. Operated next by Kelowna Exploration Co. (1935-1951) and Kelowna Mines Hedley Ltd. (1951-1955), production at Nickel Plate continued until 1955, when it closed due to higher operating costs and lower gold grades. From 1936 to 1949, a significant portion of the Nickel Plate deposit (7,248,000 grams; 233,056 ounces) was mined from the Mascot Fraction (6 hectares) by Hedley Mascot Gold Mines Ltd. During the period of 1904 to 1955, the Nickel Plate deposit was mined as an underground mine, with gold grades ranging from 11.70 to 13.97 grams per tonne (0.376 to 0.449 ounces per ton). In 1987, Mascot Gold Mines Limited began mining the Nickel Plate deposit as an open pit operation. The gold reserves were 6 million tonnes grading 2.57 grams per tonne gold. With a production of 25,248,113 grams gold (786,546 ounces), Homestake Canada Inc. took over Mascot Gold Mines and operated the open pit until October 1996.

From 1946 to 1983, the Canty, French and Good Hope skarn deposits were mined intermittently, with a total production of 1,545,787 grams gold (49,704 ounces). In 1994, Homestake commenced open pit mining from the Canty deposit and by 1996 produced 2,314,566 grams gold (74,423 ounces).

The Banbury vein deposits were first mined from 1933 to 1937 from underground workings. Production totaled 5,897 tonnes of ore-grading 4.99 grams gold (29,423 grams gold). Between 1979 and 1984, a pilot heap leach operation processed a 6000 tonnes bulk sample grading 5.1 grams gold (gold recovery not recorded).

The highest level of Hedley Basin exploration occurred from 1980 to 1987, which corresponds to the development and pre-production periods at the Nickel Plate open pit mine (1980 to 1986) by Mascot Gold Mines Limited. The entire basin area of 1000 square kilometres was staked and actively explored by numerous major and junior mining groups. The exploration consisted of airborne and ground geophysical surveys, silt and soil geochemical programs, geological mapping, trenching and drilling. During this time (1985 to 1987), the Province of British Columbia's Mineral Resources Division-Geological Survey Branch, under the direction of Gerald E. Ray (PhD, PGeo), initiated fieldwork to research the Hedley Basin. In 1994, the results of the fieldwork were published, as "The Geology and Mineral Deposits of the Hedley gold Skarn District, Bulletin 87" by G.E Ray and G.L Dawson. The bulletin is an excellent guide for the Hedley Basin.

#### **HEDLEY BASIN GOLD POTENTIAL**

For the past 100 years, the Hedley Basin North (mining district) has contributed the majority of the gold production from the Nickel Plate gold skarn deposit. The Hedley Basin South has remained relatively unexplored, with minor gold production from the Banbury vein deposits. The Hedley Basin is host to over 60 gold prospects, with the majority occurring in the Hedley Basin South.

Gold-bearing skarn mineralization in the Hedley Basin is hosted in Upper Triassic Nicola Group rocks and is genetically related to the Early Jurassic Hedley Intrusions, a suite of subalkalic, calcalkaline dioritic intrusions. A series of facies changes recognized within the Nicola Group is related to deposition across a fracture-controlled basin margin. Economically, this is important, as the gold mineralization in the Hedley Basin is lithologically, stratigraphically and structurally controlled. The Hedley Basin is analogous to other world-class gold districts such as Carlin Trend (Nevada) and El Indio-Maricunga gold belts (Chile-Argentina).

The exploration potential for new gold deposits related to skarn, vein and disseminated gold mineralization in the Hedley Basin is exceptional. The geology and mining history of the region support a high probability of discovery.

#### **SEDIMENTARY AND VOLCANIC FORMATIONS**

The Hedley Basin is underlain by Middle to Late Paleozoic and Triassic Apex Mountain Complex (argillite, greenstone, chert, tuff, and minor limestone). The basin consists of the Late Triassic Nicola Group, which contains three distinct stratigraphic packages. The oldest, the Oregon Claims Formation, is comprised largely of basaltic tuff and flows, with minor conglomerate and limestone. The youngest, the Whistle Formation, is essentially an andesitic ash and lapilli tuff containing the Copperfield breccia (limestone basal marker). Between these two formations is a predominantly sedimentary succession that hosts most of the gold-bearing skarns, veins and disseminated deposits in the Hedley Basin (French Mine, Hedley, Stemwinder and Chuchuwayha Formations). Several east-to-west facies changes are recognized in this sequence (limestone, siltstone and argillite), which progressively thickens from 100 metres in the east to over 2000 metres in the west.

The eastern and most proximal facies, the French Mine Formation, has a maximum thickness of 200 metres. It is comprised of massive to bedded limestone inter-layered with thinner units of calcareous siltstone, chert pebble conglomerate, tuff, limestone boulder conglomerate and limestone breccia. It hosts the French and Good Hope gold-skarn deposits.

Further west, rocks stratigraphically equivalent to the French Mine Formation are represented by the Hedley Formation, which hosts the Nickel Plate gold deposit. The Hedley Formation is 400 to 800 metres thick and is characterized by thinly bedded, turbiditic calcareous siltstones that display some soft sediment structures; and units of pure to gritty, massive to bedded limestone that reach 75 metres in thickness and several kilometres in strike length. The Nickel Plate deposit is hosted in a discontinuous but extensive garnet-pyroxene-carbonate-scapolite skarn envelope that is 400 metres thick and four square kilometres in area. The deposit contains several zones of gold mineralization, with production coming from Sunnyside, Bulldog and Coloured Beds. The Hedley Formation also hosts numerous vein and skarn gold occurrences.

The most distal facies to the west is represented by the Stemwinder Formation (1000 to 2000 metres thick) and the Chuchuwayha Formation (1500 metres thick). The Stemwinder is characterized by a monotonous sequence of black, organic-rich, thinly bedded calcareous argillite and turbiditic siltstone; and dark impure limestone beds that seldom exceed 3 metres in thickness. The Chuchuwayha is a predominately thin-bedded calcareous siltstone that closely resembles the siltstone of the Hedley Formation. These two formations are host to several gold and base metal showings, including the vein and disseminated gold mineralization at Banbury

The volcanic rocks of the Late Triassic Nicola Group are represented by the Whistle Formation that, at one time, covered the entire Hedley Basin. The Whistle formation is estimated to be between 1000 to 1500 metres thick. A broad stratigraphic succession is recognized in the formation. The Copperfield breccia (limestone fragments) is commonly the basal unit between the Hedley and Stemwinder Formations throughout the basin. Copperfield is overlain by tuffaceous and turbiditic siltstone and minor argillite. Up section, the unit becomes a more massive to poorly bedded crystal, ash and lapilli tuff with a decrease of sediments. The Whistle Formation hosts the Cauty skarn deposit and a multitude of gold-silver bearing veins containing base metal values.

Overlying the Nicola Group is the Middle Jurassic Skwel Peken Formation. The Skwel Peken Formation is a predominately volcanoclastic sequence of andesite ash and lapilli tuff with minor sedimentary rocks. Skwel Peken rocks are exposed in two separate outliers in the Hedley Basin; Hedley Basin North outlier covers four square kilometres and is located one kilometre north of the Nickel Plate deposit. The other is located in Hedley Basin South and covers over 30 square kilometres, its focal point being the microwave tower along Skwel-Kwel-Peken Ridge. Interestingly, just two kilometres to the east are several skarn gold showings (LH86, Don, Speculator) in Hedley Formation.

#### **PLUTONIC ROCKS**

Two Triassic-Jurassic plutonic suites are recognized in the area. The oldest plutonic suite (Late Triassic-Early Jurassic) consists of the subalkalic, calcalkaline Hedley Intrusions (diorite). They are economically important to gold mineralization in the Hedley Basin, and form major stocks (Toronto, Aberdeen, Stemwinder, Banbury, Larcan, Pettigrew) up to 1.5 kilometres in diameter and swarms of thin sills and dykes up to 200 metres in thickness and over 1 kilometre in length. The sills and dykes are mostly coarse-grained, massive diorites and quartz diorites with minor gabbro, while the stocks range in composition from gabbro through granodiorite to quartz monzonite. The Hedley Intrusions invade the Upper Triassic Nicola Group over a broad area. Varying degrees of sulphide-bearing calcic skarn alteration are developed within and adjacent to many of these intrusions,

particularly the dyke and sill swarms, resulting in skarn development and gold mineralization.

The youngest plutonic suite (Middle Jurassic) is comprised of coarse-grained, massive biotite hornblende granodiorite to quartz monzodiorite. It generally forms large bodies, such as the Bromley batholith which outcrops northwest of Hedley, and the Cahill Creek pluton which generally separates the Nicola Group rocks from the highly deformed Apex Mountain Complex further to the southeast. Some minor skarn alteration is also locally present but it is generally sulphide-poor and not auriferous.

## **STRUCTURE**

Two distinct phases of folding has taken place in Nicola Group rocks. The youngest phase resulted in the dominant structure in the district, a major north-northeast-striking, easterly-overtained asymmetric anticline. The axial plane of this fold dips steeply west. A related, but poorly developed northerly-striking axial planar cleavage is present in some argillites, and the axes of smaller scale folds related to this deformation dip gently north and south. The oldest phase of folding occurred during the emplacement of the Hedley intrusions, but it is only recognized in the Nickel Plate mine area. It produced small-scale, northwesterly-striking, gently-plunging fold structures that are ore controls at the mine, as well as a series of westerly to northwesterly-striking fractures.

## **GOLD MINERALIZATION**

The Hedley Basin is host to the Nickel Plate deposit (74,600 kilograms gold), the largest skarn gold deposit in Canada. In total, the basin has produced 78,500 kilograms of gold and is host to over 60 gold skarn, vein and disseminated gold deposits and showings.

The Nickel Plate deposit was the premier gold producer in the Hedley Basin. Gold production has come from three mineralized zones: Sunnyside, Bulldog and Nickel Plate. The Nickel Plate skarn deposit is the model-deposit for the Hedley Basin.

The Nickel Plate deposit is hosted within the upper part of the Hedley Formation, where a discontinuous envelope of garnet-pyroxene skarn alteration, up to 300 metres thick and 6 square kilometres in area, is developed peripherally to the Toronto stock and swarms of Hedley Intrusions dykes and sills. The alteration zone on the surface is subcircular in shape and westerly-dipping. It lies parallel to, but locally crosscuts, the gently dipping host rocks comprised of calcareous and tuffaceous siltstone with interbeds of impure limestone. The bulk of the zone extends a considerable distance north and northeast of the Toronto stock, within an area of more intense deformation. To the south, the skarn alteration only extends 30 to 150 metres beyond the intrusive contact.

Swarms of Hedley diorite porphyry sills, 1 to 25 metres in thickness, locally make up 40 per cent of the skarn-altered section. In addition, several diorite porphyry dykes have followed west to northwest-striking fault zones; mineralization and alteration tend to follow these dykes, forming deep keels of skarn that locally extend below the main alteration envelope. Skarn development is mostly confined to the Hedley Formation, but alteration extends locally up into the overlying Copperfield breccia (a limestone boulder conglomerate 1 to 200 metres thick, often found at the base of the Whistle Formation, which forms an important stratigraphic marker horizon in the Hedley Basin).

The main episode of skarn development occurred during a period of folding that accompanied and immediately followed the emplacement of the diorite sills and dykes. Most of the sills and dykes within the skarn envelope are bleached and altered. The exoskarn is dark green to brown-coloured, and typically consists of alternating layers of garnet-rich and clinopyroxene-rich alteration, which reflects the original sedimentary bedding. Overall, however, the Nickel Plate skarn is pyroxene-dominant compared to garnet.

Preliminary studies suggest that at least two stages of mineral growth are present in the skarn. The main minerals formed during the early stage were biotite, orthoclase, iron-rich pyroxene, garnet, quartz, wollastonite and carbonate. The later stage of skarn alteration is largely restricted to the outer and lower margins of the envelope, normally within 100 metres of the skarn front. This late-stage alteration is rarely seen in the central or upper parts of the skarn zone, except along fractures or dyke and sill margins. It resulted in the introduction of sulphides and gold, accompanied by abundant scapolite, calcite and quartz with minor amounts of epidote, chlorite,

clinozoisite, prehnite, orthoclase and local axinite.

The gold-bearing sulphide zones normally form semi-conformable, tabular bodies situated less than 100 metres from the outer and lower skarn margins. They are both lithologically and structurally controlled along northwesterly-plunging minor folds, fractures and sill-dyke intersections.

There are significant geochemical and mineralogical variations throughout the deposit. The main Nickel Plate ore zone near the Nickel Plate glory hole, in the northern part of the deposit, consists primarily of arsenopyrite, pyrrhotite and chalcopyrite with carbonate, pyroxene, scapolite, garnet and quartz. Arsenopyrite often forms coarse, wedge-shaped crystals up to 1 centimetre in length, and the sulphides occur as disseminations and fracture-fillings within the exoskarn. The Sunnyside ore zones in the central part of the deposit are strongly controlled by either sill-dyke intersections or fold hinges. Although the sulphide mineralogy and textures resemble those in the Nickel Plate zone, pyrrhotite dominates in the Sunnyside zones. The mineralization in the southern part of the deposit (Bulldog zone) comprises lenses and pods of massive to semimassive sulphide mineralization. It is noticeably richer in chalcopyrite and contains higher silver and zinc values.

Grain boundary relationships suggest the following three stages of sulphide deposition: (1) pyrite; (2) arsenopyrite and gersdorffite; and (3) pyrrhotite, chalcopyrite and sphalerite. Gold mineralization is related to the latter two stages, and minor amounts of magnetite are associated with the first and last sulphide phases. Pyrrhotite and arsenopyrite are the most common sulphides. Present in lesser amounts, but locally dominant, are pyrite, chalcopyrite, and cadmium-rich sphalerite with minor amounts of magnetite and cobalt minerals. Trace minerals include galena, native bismuth, gold, electrum, tetrahedrite, native copper, gersdorffite, marcasite, molybdenite, titanite, bismuth tellurides (hedleyite, tetradymite), cobaltite, erythrite, pyrargyrite and breithauptite. Trace amounts of maldonite have recently been identified. The native gold, with hedleyite, occurs as minute blebs, generally less than 25 microns in size, within and adjacent to grains of arsenopyrite and gersdorffite. In the South pit area, electrum occurs in close association with chalcopyrite, pyrrhotite, sphalerite and native bismuth; it tends to be concentrated in microfractures within and around the sulphides. Secondary gold enrichment is also present in some weathered, near-surface, oxide-rich zones and along certain faults. The resulting red hematitic clay zones may carry gold grading over 34 grams per tonne.

The geochemical statistics show a strong positive correlation between gold and bismuth, reflecting the close association of native gold with hedleyite, while the moderate positive correlation between gold, cobalt and arsenic confirms the observed association of gold, arsenopyrite and gersdorffite. The high positive correlation between silver and copper may indicate that some silver occurs as a lattice constituent in the chalcopyrite. The gold and silver values are relatively independent of each other despite the presence of electrum, and there is generally a low correlation between gold and copper. Gold:silver ratios in the Nickel Plate and Sunnyside zones are greater than 1, with silver averaging 2 parts per million. By contrast, in the southern part of the deposit where electrum is present, the gold:silver ratio is less than 1, with silver averaging 17 grams per tonne .

## EXPLORATION APPROACH

**Goldcliff Resource Corporation (GCN.CDNX)** has undertaken an extensive study and evaluation of the Hedley Basin (British Columbia) for its world-class gold potential. It has produced 78,500 kilograms or 2.5 million ounces of gold over the past 100 years. The Hedley Basin is host to the Nickel Plate deposit (74,600 kilograms gold), the largest gold skarn deposit in Canada. Covering 1000 square kilometres, the Hedley Basin is composed of Late Triassic Nicola Group sedimentary and volcanic rocks. The basin area, which is relatively under explored, contains rock units with world-class gold deposit potential.

The Hedley Basin is located 230 kilometres east of Vancouver, in southern British Columbia, and 40 kilometres north of the United States border. Access to, and in, the basin is excellent.

The Hedley Basin contains gold deposits related to skarns and intrusions as replacement, vein and disseminated mineralized zones within the Late Triassic Nicola Group. Gold production has come from five mines that were active from 1904 to 1996. From 1980 to 1987, an aggressive period of exploration occurred in the Hedley Basin, which generated a large amount of geological, geochemical and geophysical information. The BC Geological Survey conducted fieldwork in the Hedley Basin from 1985 to 1987 and published their results in 1994, in Bulletin 87.

Over the past several months, Goldcliff has been compiling and evaluating the Hedley Basin data from assessment and company files. Goldcliff's objective is to identify favourable gold environments for acquisition and further exploration.

Goldcliff has an in-house team of experts on the Hedley Basin: Leonard W. Saleken, PGeo (former Exploration Manager, Mascot Gold Mines Limited, 1980-1989); Edwin R. Rockel, PGeo (Geophysical Consultant, Mascot Gold Mines Limited, 1984-1988) and Dr. Francis B. Whiting, PEng, (Hedley Mascot Gold Mines Ltd., 1949-1950; he wrote a Masters thesis at McGill University on the Good Hope skarn deposit).

Goldcliff is targeting multi-million ounce gold deposits such as the Nickel Plate deposit. The Hedley Basin has produced a world-class gold mine in the past and the geological evidence indicates that the basin can produce another.

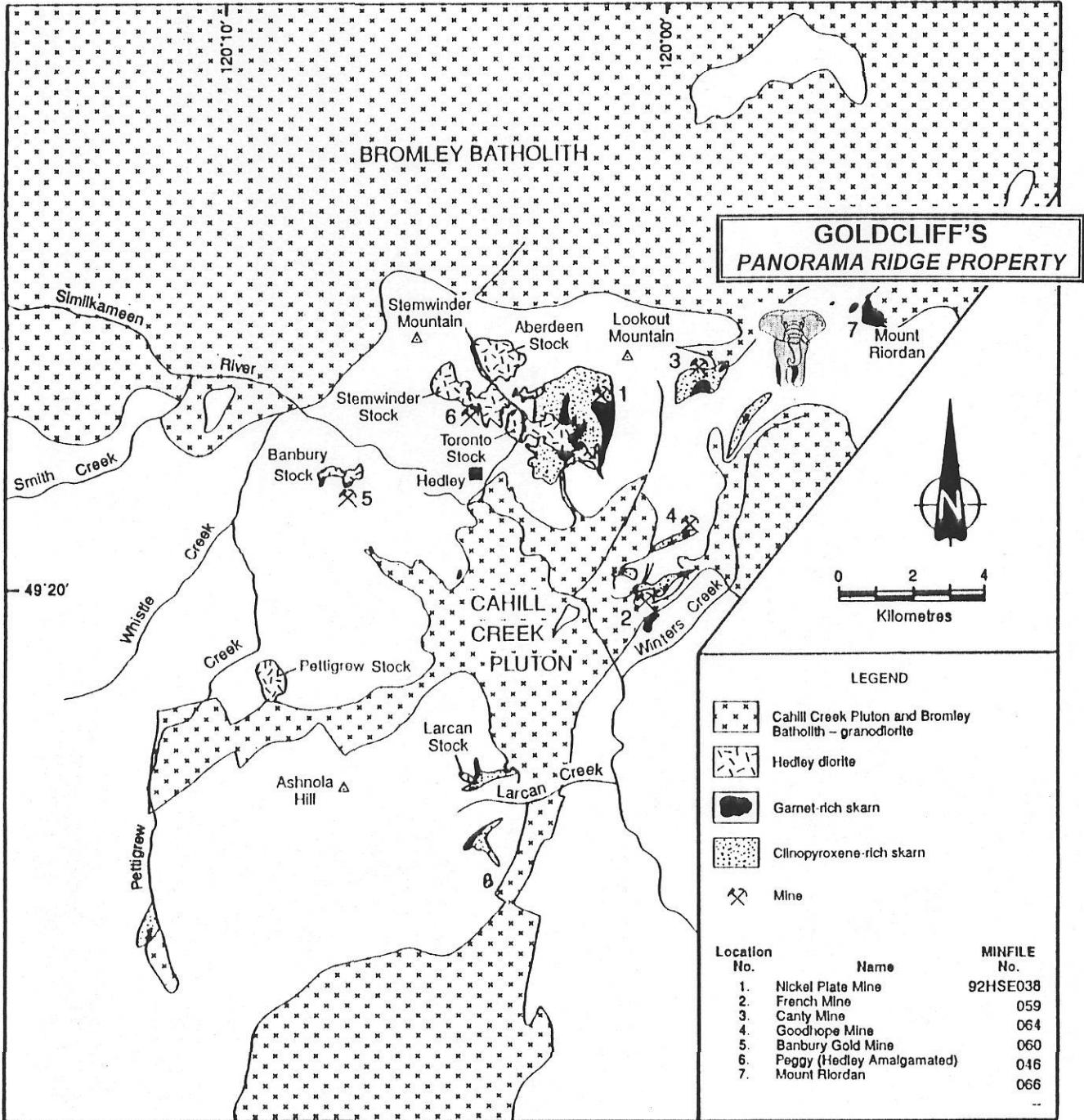
**Goldcliff Resource Corporation (GCN.CDNX)** is very optimistic about the Hedley Basin's gold potential and believes that they can successfully discover another world-class gold deposit.

GOLDCLIFF RESOURCE CORPORATION  
(GCN.CDNX)

**HEDLEY BASIN GOLD PROJECT  
AREAS OF MAJOR SKARN DEVELOPMENT**

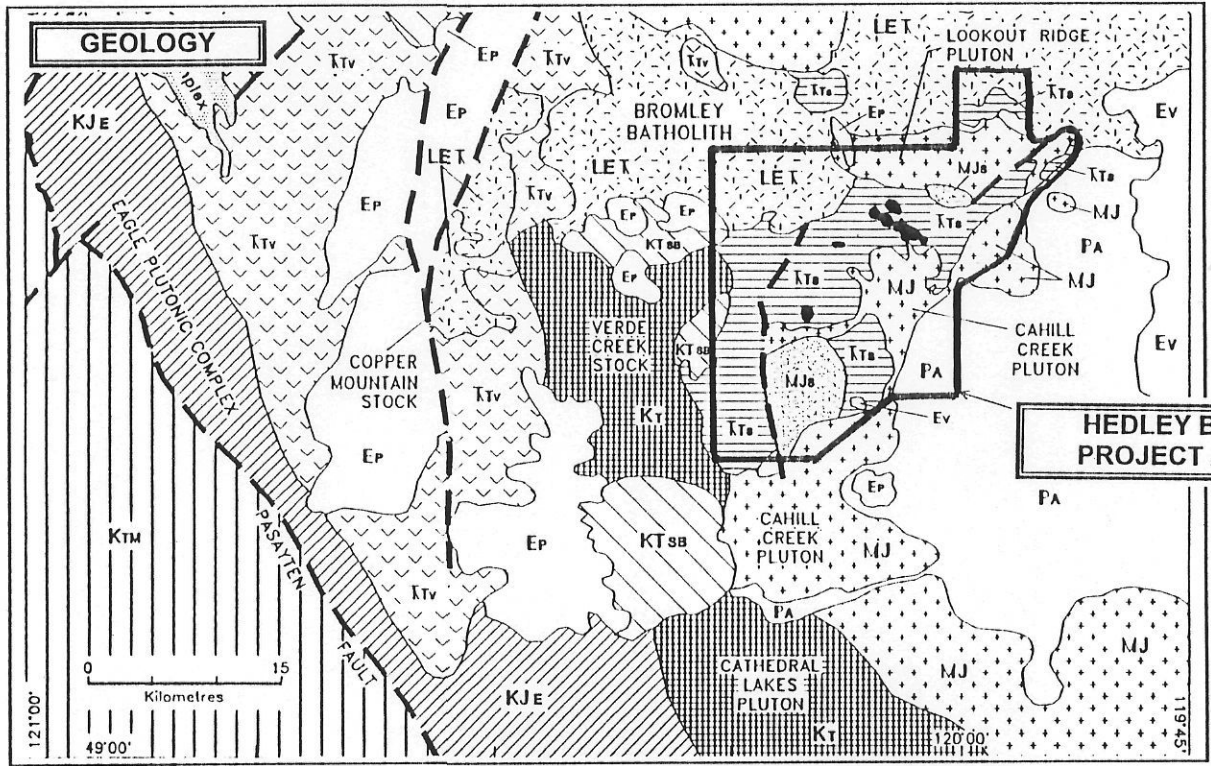
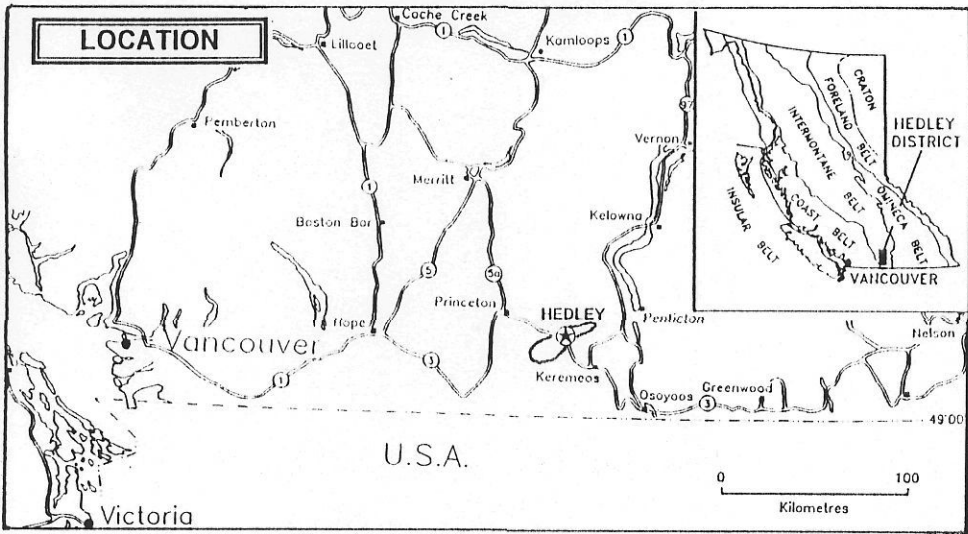


elephant country  
Hedley Basin



**GOLDCLIFF RESOURCE CORPORATION (GCN.CDNX)**  
**HEDLEY BASIN GOLD PROJECT**

**HEDLEY BASIN PROJECT LOCATION AND REGIONAL GEOLOGY**

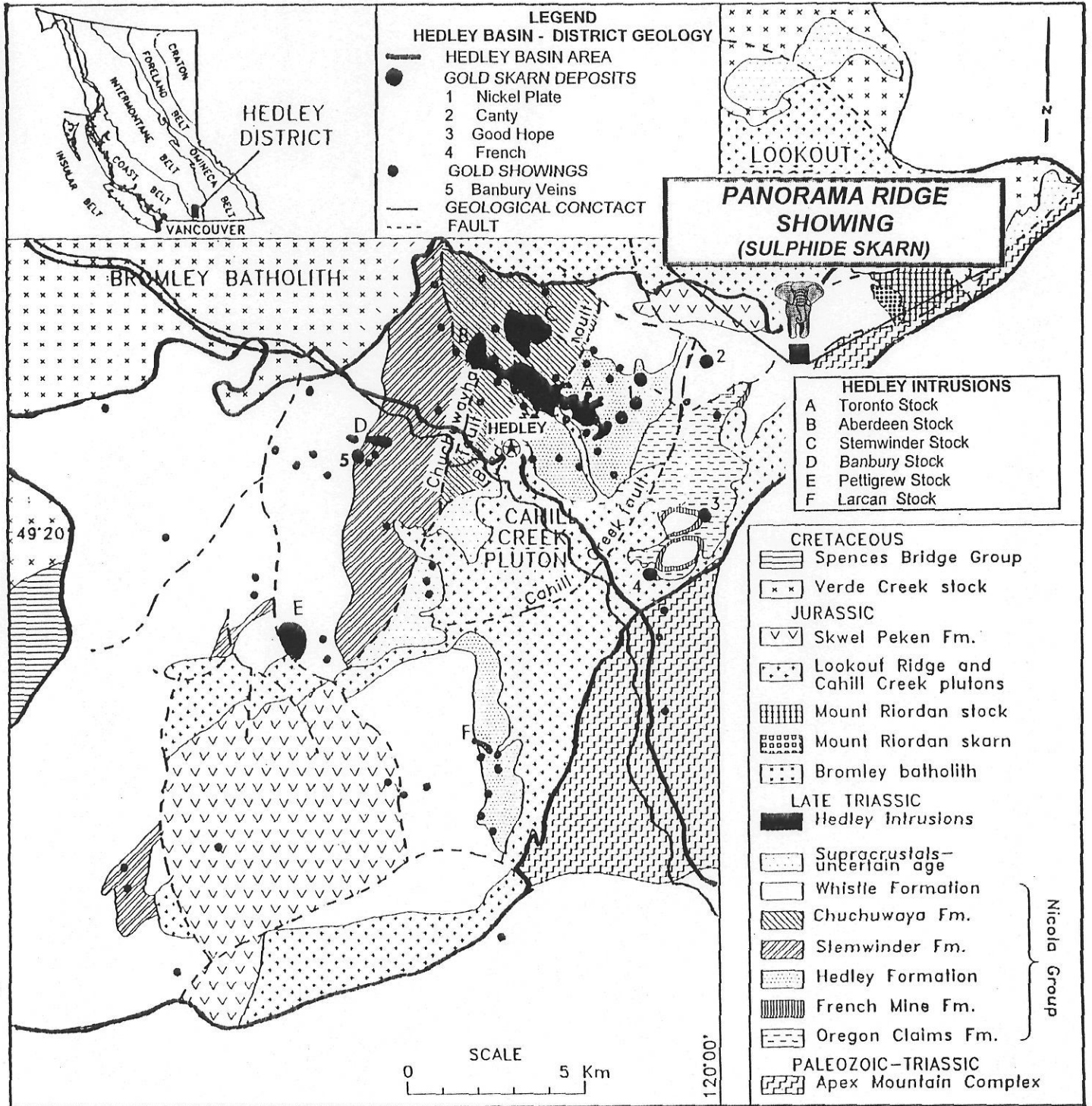


Princeton Group	Assorted felsic intrusions including the Bromley, Pennask, Allison Lake and Copper Mountain bodies
Penticon Group	Hedley Intrusions
<b>CRETACEOUS AND TERTIARY</b>	Tulameen Complex
Assorted felsic intrusions	<b>TRIASSIC</b>
Mainly Methow trough sedimentary rocks	<b>MICHA GROUP</b>
Spences Bridge Group	Mostly volcanic and tuffaceous rocks
<b>CRETACEOUS AND JURASSIC</b>	Mostly sedimentary and tuffaceous rocks
Eagle Plutonic Complex	<b>PALEOZOIC AND TRIASSIC</b>
<b>MIDDLE JURASSIC</b>	Apex Mountain Complex
Skeel Peak Formation	
Assorted felsic intrusions, including the Osprey Lake, Cahill Creek and Lookout Ridge bodies	

Source: Bulletin 87

GOLDCLIFF RESOURCE CORPORATION (GCN.CDNX)  
 HEDLEY BASIN GOLD PROJECT

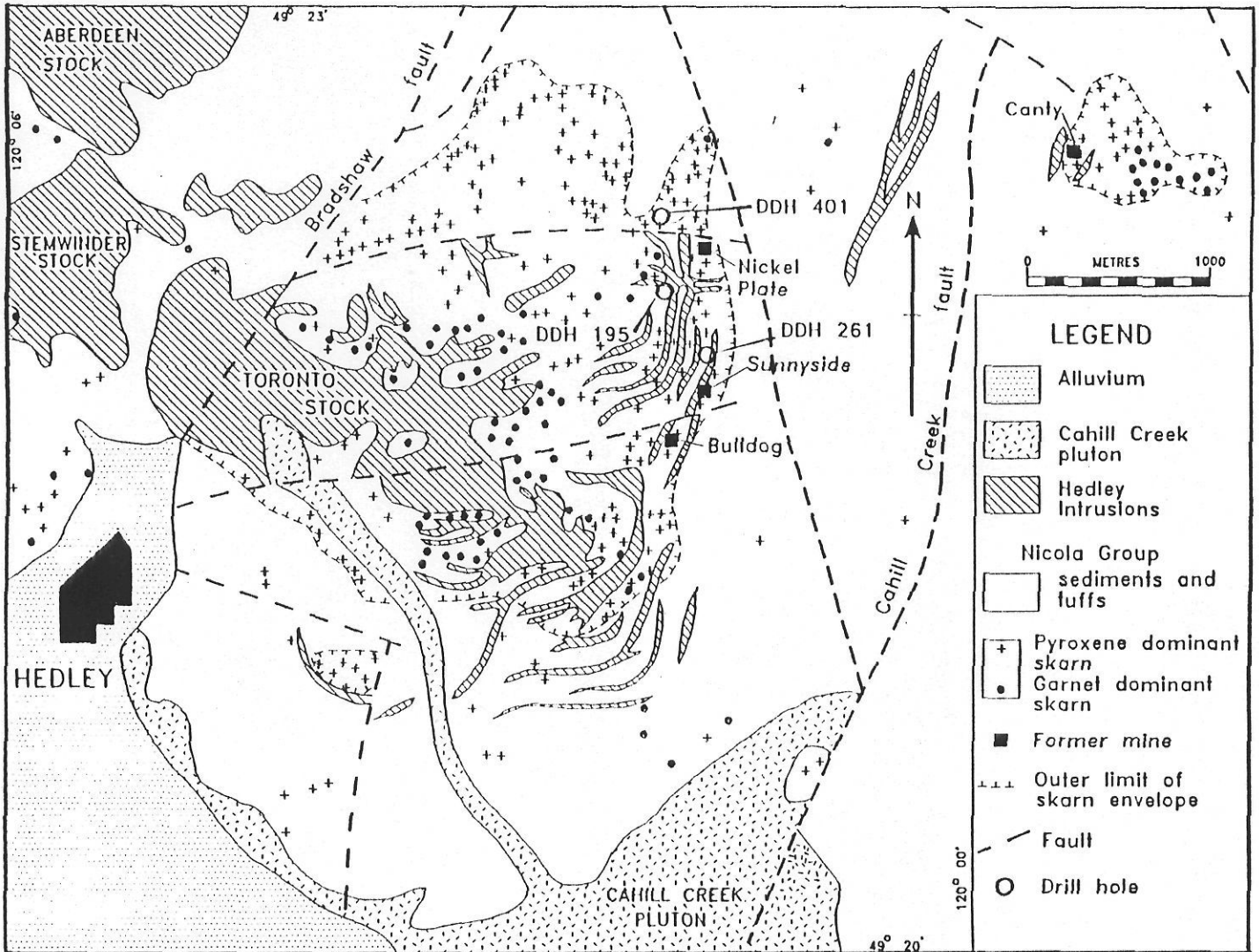
**HEDLEY BASIN GEOLOGY AND GOLD DEPOSITS**





GOLDCLIFF RESOURCE CORPORATION (GCN.CDNX)  
 HEDLEY BASIN GOLD PROJECT

**HEDLEY BASIN NORTH GEOLOGY AND GOLD DEPOSITS**

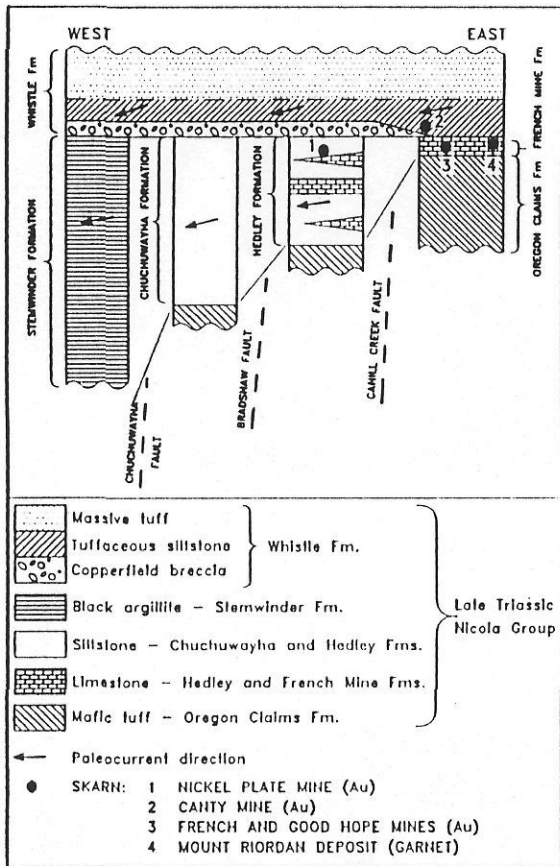
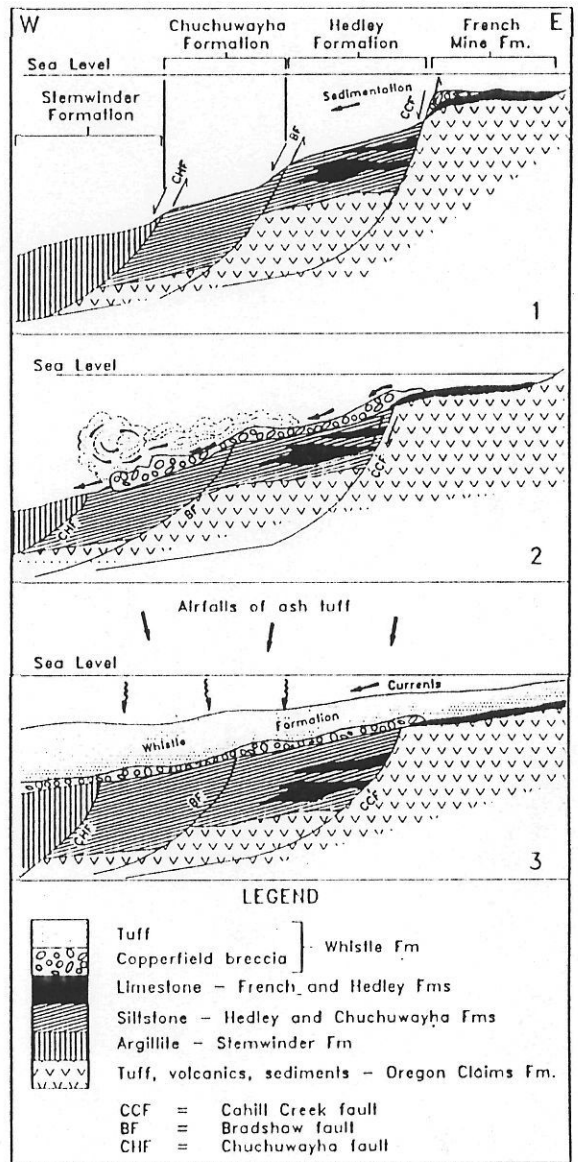
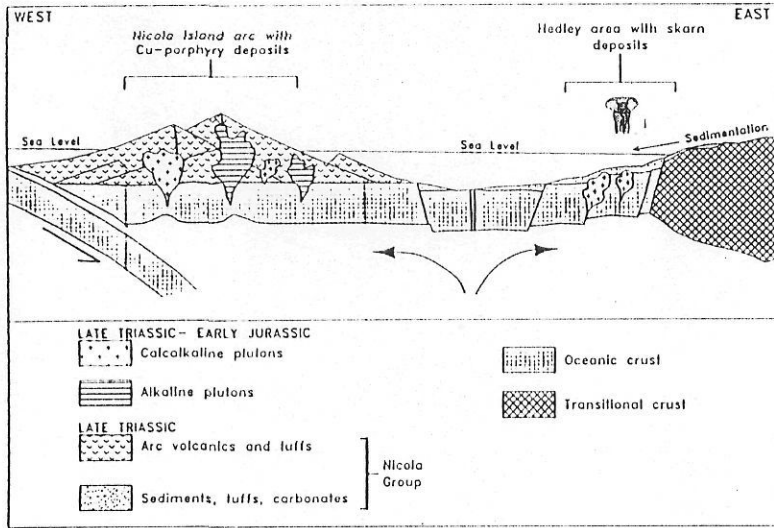


**HEDLEY BASIN NORTH  
 GOLD PRODUCTION  
 (1904-1996)**

1904 to 1996	- Nickel Plate deposit: 74,616,372 grams gold (2,399,240 ounces)
1939 to 1996	- Cauty deposit: 2,331,046 grams gold (74,954 ounces)
1950 to 1983	- French deposit: 1,362,392 grams gold (43,807 ounces)
1946 to 1982	- Good Hope deposit: 166,915 grams gold (5,367 ounces)
<b>TOTAL GOLD PRODUCTION 78,476,725 GRAMS (2,523,368 OUNCES)</b>	

GOLDCLIFF RESOURCE CORPORATION (GCN.CDNX)  
 HEDLEY BASIN GOLD PROJECT

**HEDLEY BASIN PROJECT - REGIONAL GEOLOGY  
 SCHEMATIC EAST-WEST SECTIONS AND GOLD DEPOSITS**



**HEDLEY BASIN  
 Depositional History of the Nicola Group**

1. Carnian-Norian — Deposition of the French, Hedley, Chuchuwayha and Stenwinder formations onto the Oregon Claims Formation adjacent to the fault-bounded eastern margin of the Nicola basin. Sedimentation was from an eastern source and the facies were controlled by active normal faults that were precursor structures for the Chuchuwayha, Bradshaw and Cahill Creek faults. 2. Late Triassic — Catastrophic deposition of the Copperfield breccia into the basin as a chaotic mass gravity slide, from shallow marine facies to the east. This was possibly triggered by earth movements associated with development of the main Nicola arc farther west. 3. Late Triassic — Major airfalls of Whistle Formation ash and lapilli tuffs from an unknown source. Sedimentary currents were still from the east but conditions did not allow limestone deposition.