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Porcher Island

TGS → Reg. Man
- Smithers

INTEROFFICE MEMORANDUM

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SNIP Subject: Weekly update

Snip concentrate is being "piggybacked" with Eskay shipments to DOWA smelter in Japan. Premier Gold's dealings with Cominco and then Homestake on treating Snip conc seem (from speaking with Ted Kenney) to have been fairly acrimonious.

Bruce Bried will be the new Manager at Snip.

Premier Gold continues to calculate ore reserves (from the latest round of U/g drilling) and conduct a feasibility study of re-opening the mine. It seems clear that if Westmin can find a buyer, Premier will be sold.

Cominco is very interested in the 1800 units staked by Tizard Exploration in the Kechika trough south of Watson Lake. Together with 1400 units staked in Cry Lake (104I) following the RGS release, the Cassiar-Watson Lake area promises to be active next year.

Porcher Island Gold are just completing 6800 ft of drilling at a cost of \$750,000. Drilling is scheduled to resume in late Jan/ early Feb. They envisage an on-site mill rather than shipping to Premier.