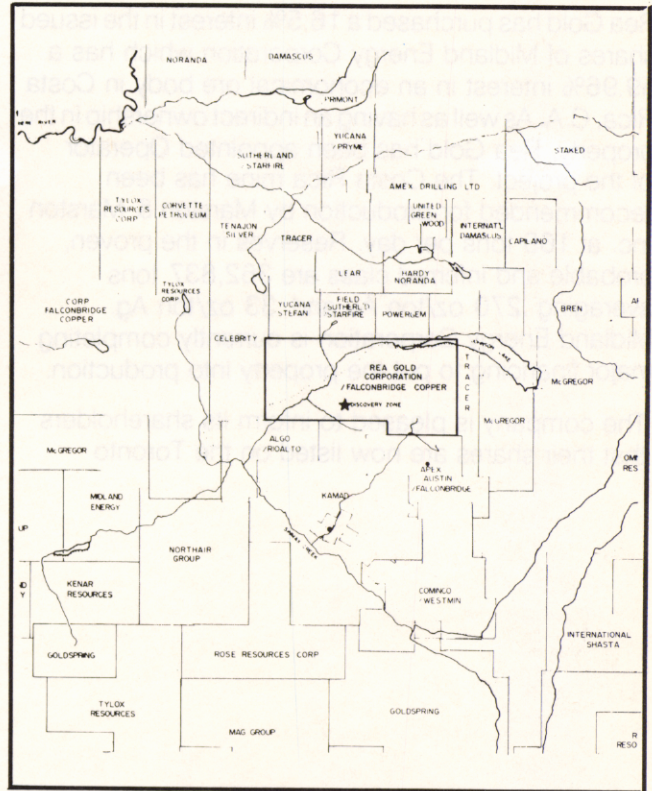


REA GOLD CORPORATION

Adams Lake Property

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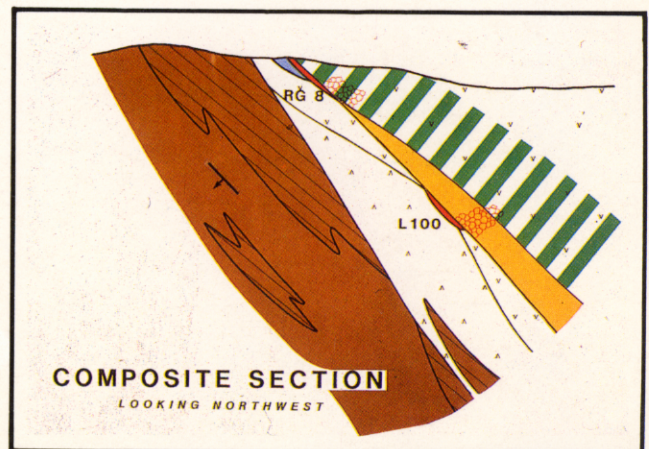
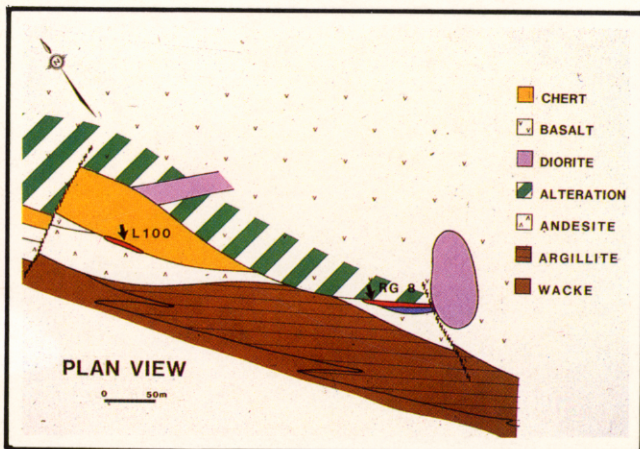


The Adams Lake massive sulphide property located 40 miles N.E. of Kamloops, B.C., is a joint-venture between Rea Gold (49%) and Corporation Falconbridge Copper (51%).

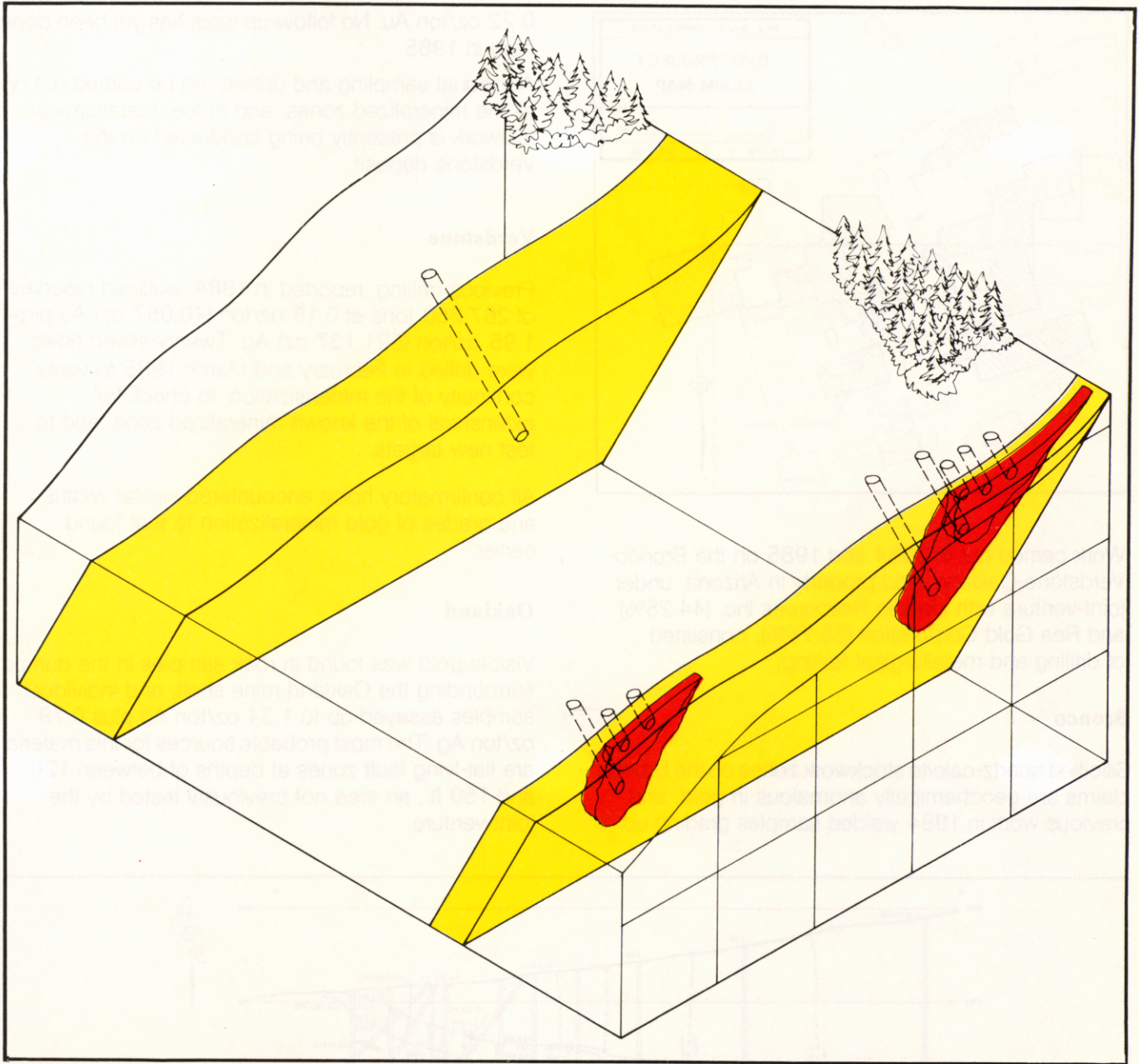
Corporation Falconbridge Copper may earn their 51% by expending 2 million dollars on exploration by May 4, 1986. Approximately 1 million dollars has been spent to date.

Work consisting of linecutting, mapping, geophysical and geochemical surveys, trenching and diamond drilling has identified several large zones targeted for exploration. Past drilling has delineated 150,000 tons averaging .43 oz/ton Au, (64,500 oz) 3.50 t/ton Ag (525,000 oz) 3.60% Zn (10,800,000 lbs.) 3.10% Pb (9,300,000 lbs.) and .70% Cu (2,100,000 lbs.).

The most exciting area encountered in 1985 is located 1.2 kilometres north of the known 150,000 ton orebody. 2.7 metres of semi-massive sulphide was discovered in hole #RG-37 averaging 5.4 oz/ton Ag, 0.01 oz/ton Au, 1.59% Zn, .92% Pb and .38% Cu.



**Adams Lake Property**



ISOMETRIC SHOWING ORE BODIES

Follow-up drilling is planned for this area in the summer of 1985.

In excess of 40 holes have been drilled on the property with very little of the potential having been tested as yet.