

NEWHAWK GOLD MINES LTD.

UNDERGROUND DRILLING RESULTS

	<u>Drill Hole</u>	<u>Azimuth</u> (degrees)	<u>Dip</u> (degrees)	<u>Intersection</u> (feet)	<u>Gold</u> (oz./ton)	<u>silver</u> (oz./ton)
<u>Section 50+60S</u>	U-87-60	270	-12	5.0 and 3.3	0.825 0.150	1.28 14.18
<u>Section 50+50S</u>	U-87-62	90	+45	5.2	0.473	28.79
	U-87-63	90	-45	11.5	0.176	23.26
	U-87-64	270	-70	5.0	0.251	4.91
	U-87-65	270	-25	10.0	0.739	1.42
	U-87-66	270	+45	5.0	0.576	4.03
<u>Section 50+40S</u>	U-87-67	90	+60	6.6	0.150	14.63
	U-87-68	270	+45	5.0	0.165	8.56
	U-87-69	270	-45	5.0	0.774	6.29
<u>Section 50+30S</u>	U-87-70	90	-45	7.4	0.734	184.92
	U-87-71	90	+30	5.5	0.300	75.20
	U-87-73	270	-30	5.0	0.144	35.15
	U-87-74	270	-70	7.0	0.182	4.69
<u>Section 50+20S</u>	U-87-76	90	+25	5.0	0.167	127.41
<u>Section 50+10S</u>	U-87-78	90	+40	9.0 including 2.7	0.683 2.100	72.52 206.83
	U-87-79	90	00	9.4 and 5.0	0.347 0.325	25.14 54.48
	U-87-82	270	00	7.1	0.414	1.95
<u>Section 51+20S</u>	U-87-88	90	-50	5.0	0.289	46.16
<u>Section 50+90S</u>	U-87-89	270	+50	5.0	0.327	0.74
<u>Section 50+80S</u>	U-87-90	90	+45	8.5 including 0.9	0.150 0.875	37.15 261.77
	U-87-91	90	-30	13.6 including 0.5 and 0.3	0.474 2.915 2.470	65.21 815.23 164.54
	U-87-92	270	00	11.7	0.133	0.93
<u>Section 50+70S</u>	U-87-93	270	00	5.8	0.173	2.67
	U-87-94	270	-20	5.7 including 0.5	0.140 1.310	5.42 49.41
<u>Section 49+90S</u>	U-87-95	270	00	5.5	0.207	2.99

NEWHAWK GOLD MINES LTD(NHG-V)

NEW DRILL RESULTS INCLUDE 7.4 FEET - Newhawk Gold Mines
0.734 OZ.GOLD 184.92 OZ.SILVER/TON Ltd. vice president
PHASE 2 BUDGET IS NOW \$4,000,000 Fred G. Hewett,

P.Eng., reports that, with the success of Phase One of the 1987 exploration program on their Sulphurets property 30 miles north of Stewart in NW B.C., all three joint venture partners have committed to participate in an expanded Phase Two program. The original budget of \$3,500,000 for the rest of 1987 has been increased to \$4,000,000. The joint venturers are Newhawk, operator, with 30% interest; Lacana Mining Corp. 30% and GRANDUC MINES LTD.(GDC-V,T)40%.

The Phase One program, totalling 9,400 feet in 95 holes of underground diamond drilling on the West Zone, has been highly successful. Continuity of mineralization and consistency of grade have been confirmed. Additionally, numerous spectacular intersections have been encountered. Results have now been tabulated for holes U-87-60 to U-87-95. Drill holes with significant gold/silver mineralization are tabled overleaf. For results of Holes 87-1 through 87-59, see GCNL108(87)p.1 and 119(87)p.1.

Phase Two of 1987 exploration, says Mr.Hewett, is an aggressive program to continue developing the potential of the Brucejack area (West, Shore and Gossan Hill zones), provide additional data on several other prime exploration targets, and generate the data necessary for a feasibility study. In the West zone, underground development will include advancing the decline by 1,500 feet, drifting and raising on ore and 15,000 feet of underground diamond drilling. Two surface diamond drills will be used in a minimum 17,000-foot program. Part of this will test the southern extension of the known strike, now open. A 1986 surface hole in this area cut a true width of 28.5 feet grading 0.359 oz. gold/ton and 57.42 oz.silver/ton. Following the excellent results from deep surface drilling in 1986, several surface holes will be to a +1,000 foot depth.

Surface diamond drilling on the Shore zone will add 8,000 feet of hole to the 14,000 feet previously drilled on the zone. The aim is to define the lateral and vertical extent of mineralization established earlier. A previous hole intersected 26.2 feet of 0.336 oz.gold and 12.57 oz.silver/ton and another cut 30.5 feet of 2.52 oz.gold and 6.75 oz.silver/ton.

On the Gossan Hill zone, trenching and surface diamond drilling will be undertaken to expand and upgrade present inferred high grade reserves of 27,639 tons of 1.940 oz.gold/ton.

Surface exploration of the Brucejack area will be conducted on at least 2 other zones in the vicinity that yielded good assays.

Overland access will be completed this year along with the engineering studies necessary to prepare for construction of a permanent all weather road in 1988. As well, a hydro-electric survey, environmental baseline and metallurgical studies are planned.

APEX ENERGY CORP. (APG-V)

DRILLING STARTED AT ADAMS LAKE - J.K. Ralfs, president
& TRENCHING IN RANCHERIA CAMP of Apex Energy Corp.,

reports that Esso Minerals Canada, a division of Esso Minerals Canada Ltd., who hold an option on the Twin claims in the Adams Lake area NW of Kamloops, B.C., owned 47.8% by Apex Energy Corp., has advised that diamond drilling is now in progress on that property. A total of 1200 metres of drilling is scheduled for the present phase of exploration.

Mr. Ralf notes that the Twin property is adjacent to that of Rea Gold Corp. where some outstanding assays have been reported. It is of particular significance that the two zones on Rea's property, the Rea and the silver, both strike towards the Twin ground and that geochemical and geophysical anomalies have been established along these projections. (SEE MAP OVERLEAF) Apex' partner is LINCOLN RESOURCES INC. (LNN-V) with 52.2% property interest.

Apex holds an option to acquire the 9-claim TBMB property in the Rancheria silver camp in southeastern Yukon Territory near the head of Munson Creek. It is readily accessible from the Alaska Highway at a point about 100 miles west of Watson Lake. Apex is to pay Terry McCrory and the original prospectors \$1,000,000 cash and 200,000 shares over 8 years, of which the initial payment is \$15,000 and 25,000 shares. There is also a work commitment totalling \$500,000 over 4 years including \$100,000 to be spent this year. A further 42 claims have now been staked.

Preliminary examination of the property has disclosed vein silver deposits which F. Marshall Smith, P.Eng., believes to be virtually identical to those occurring on other properties in the district including that of Silver Hart Mines Ltd. which plans production. Sampling of the weathered outcrops carrying galena and freibergite mineralization has returned grades exceeding 25 ounces of silver per ton. Trenching to expose fresh silver vein material has now started.

VERTEX RESOURCES LTD. (VXR-V)

GRAVELS ON CARIBOO GOLD - Lawrence Weisdorn, vice president, reports that, on their

Island Mountain property in the Cariboo-Bakerville gold camp in B.C., Vertex Resources Ltd. has excavated and exposed a 35-foot section of what geologist Michael Philpot describes as a buried tertiary (pre-glacial) channel 15 feet deep and about 100 feet wide. The gold bearing gravels, varying from a few inches to 10 or 15 feet thick, occur in ancient stream gravels resting on bedrock and buried beneath glacial drift. In most cases, nearly all the gold lies directly on, or just above, the bedrock surface.

The typical buried channels in the region yield \$20 to \$25 per cubic yard, while the tertiaries have been known to yield up to \$150 per cubic yard. The \$20-\$25 range is considered to be a very good commercial grade. Vertex intends to determine as soon as possible whether or not the channel is of tertiary origin.

On 15 July 87 Vertex began stockpiling material from the target channel and has since begun the initial bulk sampling program. Processing of 2500 to 3000 cubic yards of target gravel will continue under Mr. Philpot's direction. Results will be available by the end of July.

THE QUINTO MINING CORPORATION (QU-V)

GREYHAWK RESOURCES LTD. (GHK-V)

WILLCREST RESOURCES LTD. (WCR-V)

FUNDING SOUGHT TO - The Quinto Mining Corp. has CONTINUE EXPLORATION reported each of Greyhawk Resources Ltd. and

Willcrest Resources Ltd. have earned a 25% interest in Quinto's Lumby, B.C., property. The interest has been earned by a payment to Quinto of \$50,000 and the expenditure of \$950,000 on exploration equally shared by Greyhawk and Willcrest. The interest in the Lumby property is now Quinto as to 50%, Greyhawk as to 25%, and Willcrest as to 25%.

A Joint Operating Agreement has been entered and signed by the companies for the further exploration and development of the property. The next stage of exploration calls for \$1,200,000 to be financed by the three companies.

REA GOLD

REA ZONE (GOLD)
SILVER ZONE

APEX ENERGY CORP.
TWIN CLAIMS

KAMAD SILVER



APEX ENERGY CORP.

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LISTED V.S.E. - APG

REGISTERED IN U.S.A. UNDER SECTION 12(g) OF
SECURITIES EXCHANGE ACT OF 1934, LISTED IN STANDARD & POORS

TWIN CLAIMS PROPERTY

ADAMS LAKE AREA

KAMLOOPS MINING DIVISION
BRITISH COLUMBIA

OWNED 47.8% BY APEX ENERGY CORP.
OPTIONED TO ESSO MINERALS CANADA,
A DIVISION OF ESSO RESOURCES CANADA LTD.

THIS MAP HAS BEEN COMPILED FROM INFORMATION BELIEVED RELIABLE.
ACTUAL LOCATIONS OF CLAIMS AND OWNERSHIP ARE NOT GUARANTEED.

