

SKYLINE GOLD CORP. (SKX-V,T)

ZEPHRIN VEIN RETURNS HIGH GRADE - Ron Shon, president, reports Skyline Gold Corp. has received high grade gold assays from the Zephrin vein at the Johnny Mountain mine, current under care and maintenance pending development of additional new reserves. The project is located 150 miles northwest of Stewart, B.C. Three 40-lb. samples recently taken from broken ore in the sub-level assayed 1.798, 1.007 and 0.635 oz.gold/ton. Limited mining and development occurred in the Zephrin vein zone from the 11 level and the 10 level when the mine was in production.

The Zephrin vein zone was identified in the recent geological examination by A.A. Burgoyne, P.Eng., as one of the areas with the highest potential for new ore reserves. The zone will be tested in the Phase I underground diamond drilling program recommended.

Skyline plans to start the exploration program on the Zephrin vein together with exploration work on the Sixteen, Discovery and Pickaxe veins when conditions permit. The program will begin in the underground workings on a grid.

The Johnny Mountain mine was in production from Aug/88 to Sep/90 and produced \$42,000,000 in revenues from over 85,000 ounces of gold grading 0.5 oz./ton, 133,000 ounces of silver and over 2,000,000 lbs. of copper. (SEE GCNL No.234, 4Dec92, P.2 FOR PREVIOUS DATA)

Skyline also reports granting an employee stock options to buy 300,000 shares exercisable at \$1.30 per share to 5Jan94, subject to regulatory approval.

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