

NO. 213 (1998)
 NOVEMBER 5, 1998

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CANASIL RESOURCES INC.

[CLZ-V] 8,877,342 SHS.

LIL PROJECT ASSAYS RECEIVED - Paul J. Weishaupt, president, Canasil Resources Inc., reports a modest exploration program consisting of soil and rock sampling was carried out during the 1998 field season on the 100% owned LIL silver property. The property consists of 20 claim units located in the Swannell River area, 350 km northwest of Prince George, in the Toodoggone region of north-central BC.

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The mineralization on the property consists of narrow high-grade silver-bearing quartz veins and breccia zones, which developed in the quartzite beds and granitic dyke, where brittle rocks were intersected by faults. Silver-bearing structures have been located over a distance of 300 metres. The silver minerals are chiefly argentite (silver glance), pyrargyrite (ruby silver) and freibergite (grey copper containing silver) indicating an epithermal deposit. Previous rock samples have shown values up to 845.5 oz. silver/ton.

To develop a better understanding of the grades and true widths of the exposed silver in the rock face cut out by the creek, a number of samples were cut using a portable diamond saw where applicable. All the samples were shipped to Acme Analytical Laboratories in Vancouver for geochemical cyanide leach by ICP and fire assay analysis for silver. SEE ASSAY TABLES OVERLEAF P.4.

Management is of the view the assay results confirm the potential for a high grade silver deposit on the LIL property. Diamond drilling will be required to evaluate the prospect further. (SEE GCNL NO.119, 22Jun98, P.2 FOR PREVIOUS LIL PROJECT INFORMATION)

EAST ASIA GOLD CORP.

[EAGC-CDN] 11,519,971 SHS.

HOLE NO.	WIDTH METRES	COPPER		COBALT	
		%	%	%	%
T-1	40	2.05		0.50	
T-2	43	1.84		0.42	
T-3	125	1.65		0.73	
	26	4.58		3.99	
T-4	116	3.03		2.05	
T-5	64	4.15		1.74	
T-6	49	1.91		0.29	
	94	3.14		1.65	
	14	3.95		0.06	
T-7	24	3.86		0.07	
T-8	106	2.62		0.29	
WEIGHTED AVERAGES	65	2.73		1.11	

HIGH GRADE COPPER/COBALT MINE OPTIONED - John Hite, president, reports East Asia Gold Corp. has signed a definitive agreement with La Generale des Carriers et des Mines (GECAMINES), the state-owned mining corporation, and with COMIEX-Congo, s.a.r.l. (COMIEX) a Congolese corporation. The agreement grants East Asia Gold the right to earn a 55% interest in the Luishia mine, a high grade copper-cobalt mine in Katanga Province, Democratic Republic of the Congo, formerly Zaire. Cash flow studies suggest the 55% interest in the property will have a net present value of \$357,000,000.

Luishia was mined from 1913 to 1948 and the mine produced about 8,300,000 tonnes grading 7.26% copper. GECAMINES reports a proven ore reserve of 6,900,000 tonnes grading 2.7% copper and a probable grade of 0.87% cobalt (many of the older drill holes were not assayed for cobalt). The ore deposit has an additional probable, possible reserve of 50,180,000 tonnes grading 2.09% copper and 0.10% cobalt. These reserves are based on more than 400 drill holes.

The 6,900,000 ton proven ore reserve is defined, in part, by eight long trenches cut across the strike of the orebody. The higher grade values from these trenches are summarized in the table above.

In addition, two holes on the north end define a new target dipping south. These two holes intercept, respectively, 20 metres grading 5.73% copper and 32 metres grading 5% copper. Similarly, four holes on the south end of the mine define a dipping target with a weighted average of 44 metres grading 2.33% copper (cobalt was not assayed in these holes). These drill holes indicate the excellent potential to expand the ore reserves of this large deposit.

CANASIL RESOURCES INC.

LIL SILVER PROJECT
 SWANNELL RIVER AREA
 TOODOGGONE REGION
 NORTH-CENTRAL BC

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Sample No.	Width-meters	Ag oz per ton	Ag - gr per ton	Remarks
110480	0.40	158.53	5,437	Cut
110481	0.50	49.33	1,589	Cut
110482	0.20	325.36	11,159	Cut
110483	0.35	43.04	1,476	Cut
110484	3.60	0.82	28	Fault zone, No sulfides
77221	0.25	103.44	3,548	Cut
77222	0.30	12.33	423	Cut
77223	0.20	28.24	968	Cut
77224	0.30	97.98	3,360	HW Cut
77225	0.35	21.59	740	FW Cut
Av.224+225	0.65	56.85	1,950	
77226	0.40	69.56	2,385	Cut
77227	0.20	22.80	782	Cut

77228	0.30	26.56	911	Cut
77229	0.30	36.07	1,237	Cut
Av.228+229	0.60	31.31	1,074	
72230	0.45	51.33	1,760	HW Cut
77231	0.45	38.81	1,331	FW Cut
Av.230+231	0.90	45.07	1,545	
72232	0.40	6.82	233	Cut
72233	0.35	4.33	148	Cut
72234	0.20	39.30	1,348	
72235	0.25	4.65	159	HW Cut
72236	0.30	46.39	1,591	FW Cut
Av.235+236	0.55	25.59	878	
72237	0.20	96.09	3,295	Cut
72238	1.50	0.95	32	Breccia No sulfides

HW: Hanging wall

FW: Foot wall