

SEDEX MINING CORP.

[SDN-V] 24,455,240 SHS.

**TWO CRITICAL SULLIVAN LOOK-A-LIKE
EXPLORATION HOLES UNDERWAY**

In a recent interview Richard W. Hughes, president, Sedex Mining Corp., stated two important drill holes are underway in the Sullivan district, Kimberley, southeast BC. Sedex Mining has 100% interest in the McNeil project and a 40% interest in the Irishman project, currently under option to Kennecott. SEE CLAIM AND DRILL HOLE MAP OVERLEAF P.1.

The first of these holes is M98-01 on the McNeil property, 30 km southeast of the Sullivan Mine, which intersected 89 feet of the Sullivan horizon at a depth of 1,211 feet. This horizon consisted of finely laminated argillite, silty argillite, siltstone and minor quartzite. Pyrite and pyrrhotite with clots of sphalerite occur in the laminated sections. A visual estimate is the sphalerite is less than 1% but final results are pending assay results. The geologists are encouraged drilling has identified a third order basin similar in sedimentary style and size to the one hosting the Sullivan ore body.

The target for the M-98-01 hole is about three km by one km as outlined by hangingwall veins grading up to 14% lead and 2% zinc and occurs east of the 12 km long McNeil growth fault. Additional Sullivan indicators such as tourmalinized fragments and gabbro arching also occur in the target zone. Also at 663 feet, the hole intersected low-grade lead, zinc within a zone of poorly-bedded black argillites and siltstones. Unbedded and reduced sediments along growth faults commonly host sedex-type deposits.

The next phase of drilling will focus on the structural intersection of the 12 km long McNeil fault and the Moyie fault system. Plans are to test this area, five km south of the M-98-01 hole, where a gravity anomaly with tourmalinite and fragmental occurrences are positioned near the projection of the Sullivan horizon at the Lower-Middle contact of the Aldridge sediments. Permitting for a road to the site is in progress.

The second phase of drilling is planned for the northern part of the McNeil fault in late fall where a magnetic anomaly associated with pyrrhotite-bearing fragmentals occurs near the intersection with the Moyie River fault. Based on marker control, the Sullivan horizon is projected to occur at a depth of 750 metres in this area. This drill hole location is four km north of the M-98-01 drill hole.

Mr. Hughes stated this drilling will start as soon as permits and funding are secured.

The second hole is on Sedex Mining's Irishman project, 35 km southwest of the Sullivan and is held under option by Kennecott. Drill hole No. K-97-03, on this project in 1997, encountered mineralization over 2.55 metres grading 9.65% zinc, 5.82% lead and 49.4 grams silver/tonne at a depth between 504 metres to 506.55 metres. This intersection is believed to be in the outer edge of a sedimentary exhalative deposit similar to the Sullivan ore body. It was drilled at the end of the existing road access on the northeast edge of a broad hydrothermal vent complex and approximately one km north of the inferred centre of the main venting activity. The

venting complex contains numerous fragmental bodies and extensive albite, tourmaline, chlorite sericite altered rocks with related zinc, lead, arsenic anomalies similar to the vent system present at the Sullivan ore body. Kennecott continues to conduct geological mapping and geochemical sampling on the Irishman property. In order to maintain the option in good standing, Kennecott must complete \$450,000 in exploration on the property by 17Dec98. A second Kennecott hole to a projected depth of 2,500 feet is scheduled to start in the next few weeks to test this same formation from a location two km north east of the collar of the 1997 hole and angled toward the Lower Middle Aldridge contact target. Kennecott can earn a 60% interest in this property by completing \$2,000,000 in exploration over four years and advancing the project to a production decision.

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CONTINUED FROM PAGE ONE - Over the last four years Sedex and partners have spent in excess of \$3,000,000 on prospecting, detail geological mapping, soil sampling, aeromagnetic and gravity surveys plus correlation of the results of exploration efforts of many companies over the years. Through these programs, the Sedex Mining staff geologists and consultants have located 20 "vents". The Sullivan mine is located directly above such a vent. These vent systems are considered exploration targets around which to search for repetitions of the Sullivan mine.

The vent targets contain numerous fragmental bodies, albite, tourmaline, chlorite, sericite altered rocks and associated cross-cutting and disseminated lead, zinc mineralization. To date, two of these vent targets have been drill tested with many additional targets being refined and drill tested as conditions allow. Sedex Mining's interest in the area includes, six properties, 3,500 claims units, in the 2,000 square mile area.

RECENT FINANCING - On Sept. 22, 1998, the VSE approved a non-brokered private placement of 2,000,000 units, of which 965,000 are flow-through, at 15¢ each, for proceeds of \$300,000. Warrant exercise price is 15¢ per share in year 1 and 20¢ in year 2. Flow-through units places are chiefly Maxwell A. Munday 300,000 units and Tri-Pol Energy Corp. (Alan Tresemer) and Nelson Wong 200,000 units each. Non-flow through places are chiefly Richard W. Hughes 735,000, and Sam Carter 200,000 units.

In early September 1998, Kennecott Canada terminated its option of first refusal on six other mineral properties held by Sedex Mining in the Cranbrook area of southeast BC, thereby allowing Sedex to seek new joint venture partners.

DIRECTORS AND MANAGEMENT - The directors of Sedex have years of mineral exploration and mine finding experience. The directors are: Richard W. Hughes, president, Dr. Robert Woodfill, director and vice president exploration, Dr. Joseph Montgomery, director and vice president of North American exploration, Peter J. Dahl, Dr. John Frost, Lynn W. Evoy and Dennis Fong.

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Sedex also holds: an option on 100% interest in the Cairo prospect, of six mining leases in the Matachewan area, Cairo Township, Kirkland Lake, northern Ontario, adjacent to Sedex's Oka project; where a recent 11 hole drill program returned: 3.1 grams gold/tonne over 4.0 metres, 4.9 grams/tonne over 4.85 metres, 24.8 grams/tonne over 1.0 metre and 3.2 grams/tonne over 12.0 metres, and close to a sediment-volcanic contact similar to Royal Oak Mines Matachewan deposit situated two km south with 15,200,000 tons grading 2.6 grams/tonne. (SEE GCNL NO.155, 19Aug98, P.5 FOR PREVIOUS RESULTS)

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SEDEX MINING CORP.
SOUTHEASTERN BC PROJECTS
30 KM SOUTHEAST OF COMINCO
SULLIVAN MINE AT KIMBERLEY, BC

