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WESTERN CANADIAN INVESTMENTS

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PERUVIAN GOLD LTD.

[PVO-V] 15,227,466 SHS.

IMPERIAL METALS CORP.

[IPM-T] 78,147,146 SHS.

EXPLORATION UPDATES - David Henstridge, president, Peruvian Gold Ltd., provides updates on the Silvertip and Lara projects. Silvertip, a high grade silver, zinc, lead resource, is located in B.C., 85 km southwest of Watson Lake, Yukon Territory and is accessible by a 25 km road from the Alaska Highway. Peruvian Gold holds an option to earn a 60% interest in the Silvertip project from Imperial Metals Corp. retains the right to earn back a 20% interest to hold 60% by spending \$2,000,000 within 18 months of completion of Peruvian Gold's earn-in.

The ongoing underground program at Silvertip is designed to de-water 1,500 metres of ramp and side drifts to provide access for underground diamond drill sites. The target is a zone of high grade mineralization intercepted earlier this year in DDH SSD-99-2, which yielded an average grade of 318 grams silver/tonne, 8.65% zinc and 5.53% lead over 31.4 metres. This intercept, the thickest to be encountered at Silvertip to date, is positioned less than 100 metres from the underground workings. Drilling will test the continuity and orientation of the zone.

The project has been reviewed by Dr. Peter Megaw, a world renowned carbonate replacement deposit (CRD) expert who brings with him extensive experience gained working on world class carbonate replacement deposit CRD's in Mexico and the southern USA. After examination of SSD-99-2 drill core, Dr. Megaw believes the intercept to be part of a feeder zone and concurs with Silvertip geologists that drilling from existing underground access will best explore the zone.

De-watering of the underground workings was completed on November 17th. No major rock falls were encountered although rock-bolts and other ground support devices are corroded in the last 300 metres of the drift. Installation of new rock-bolts, straps and screen is in progress and will be completed before the Christmas break. The 3,500 metre diamond drilling program will resume in the first week of January 2000.

The 100% owned Lara project, located in coastal Peru 400 km southeast of Lima and 40 km northeast of the Pan American Highway, is a porphyry copper system where a secondary enriched copper resource (chalcocite mineralization) of about 20,000,000 tonnes of ore grade mineralization has been defined. A program of mapping and rock sampling was recently completed on the Mina de Socos area, east of the Lara porphyry copper deposit. Results from rock samples collected from highly altered intrusive rocks, within an area 300 metres north-south by 150 metres east-west, ranged from 300 ppm to 800 ppm copper. These highly elevated copper values, in rocks identical to the leached capping found overlying the resource already drilled on Lara, support the earlier interpretation the Lara porphyry system extends from the known resource eastward to Mina de Socos, a distance of 800 metres. The copper anomaly also coincides with an induced polarization anomaly discovered in the 1997 geophysical survey. Essentially, the untested target area between Lara and Mina de Socos has the potential of tripling the existing resource. (SEE GCNL NO.206, 27Oct99, P.4 FOR PREVIOUS SILVERTIP PROJECT INFORMATION)

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