VERY HIGH GRADE ZONE DEFINED BY 59 HOLES

Very high grade ore has been tested by 59 holes in an area 120 feet long, 150 feet vertical, averaging 9 feet wide and grading 0.85 oz.gold/t, 41 oz.silver/t on the Sulphurets property, 30 miles north of Stewart, B.C. This is an arithmetic average and subject to refinement by weighting. The area represents between 35,000 and 40,000 tons within the West zone and is open to extension by the remaining 36 holes drilled but not yet assayed in the Phase I drilling in the 1987 program. In this phase, 9,400 feet of hole have been completed at a cost of \$1,500,000. Phase II will start in early July at a budgetted cost of \$3,500,000.

Donald A.McLeod, president of Newhawk Gold Mines Ltd., has reported this high grade area is within the West zone where drill indicated and inferred reserves are 1,016,730 tons grading 0.332 oz.gold/t, 21.06 oz. silver per ton. The property is owned and the program is being funded as to 30% by Newhawk, 30% by Lacana Mining and 40% by Granduc.

Construction of the access road to the property has progressed to Bowser Lake, 7 km from Highway 37. The road is expected to reach the property by September. Results from Holes 87-11 to 87-59 have now been reported. (SEE TABLE OVERLEAF) Results from the remaining 36 holes will be reported as received (See GCNL No.108 for previous assay results.)

ADDITIONAL DONE MOUNTAIN CLAIMS ACQUIRED - Total

Resources Ltd; has acquired from Consolidated Silver Standard Mines Limited a 39 claim property at Dome Mountain, located 35 km east of Smithers, B.C. This property hosts several gold bearing veins, including a small portion of the curently known Boulder Zone orebody. The purchase price is 60,000 Total Erickson common shares and \$70,000 in cash. Consolidated Silver Standard retains a 5% net smelter return.

NEXUS RESOURCE CORPORATION (NXS-V)
TOODOGGONE GOLD CAMP - Leon E. Nowet, secretary of Nexus
INTEREST IS ACQUIRED Resource Corporation announces
the signing of a farm-in/joint
venture agreement with STANCE CANABA INC. (SJG-T) and

IMPERIAL METALS CORPORATION (IPH-V.T) on their Silver

Pond property in the Toodoggone precious metals camp of northern B.C., subject to regulatory approval. Nexus will initially acquire Imperial Metals' 20% interest in the property for 200,000 common shares of Nexus. Nexus can raise their interest to 49% by spending \$3,000,000 on the property within 2 years. Expenditures planned for 1987 are \$2,000,000, then Nexus would hold 39.2% interest in the property.

St. Joe, as operator, will carry out a 10,000-metre diamond drilling and trenching program on the Silver Pond property. This will start immediately.

The property is located adjacent to Cheni Gold Mines' Lawyers property on which a production decision has recently been announced. Road construction to the Toodoggone will be completed this year to facilitate mine construction on the Cheni property. This road will cross through the Silver Pond property.

Mr. Nowek says the West Zone is the highest priority drill target. Coincident gold soil geochemistry, mapped epithermal alteration, a linear resistivity high and ore grade trench assays (up to 9.02 grams per tonne over a true width of 6.48 metres, being 0.26 oz.gold/t over 21.26 feet) have outlined an auriferous zone with a strike length of at least 700 metres. The four holes drilled to date over a 125-metre portion of the strike length all returned significant assays and average 8.8 grams per tonne over a true width of 1.1 metres. Several other geochemical and geophysical targets exist on the property and will be the focus of backhoe trenching and sampling before drilling. The Ridge Zone is particularly encouraging. Here a resistivity high some 150 metres long is associated with quartz float assaying up to 5.43 grams per tonne.

*NEWHAWK GOLD MINES LTD. (N.P.L.)

| Hole | Azimuth (degrees) | Dip (degrees) | Intersection (feet) | Au oz/ton | Ag oz/ton |
|---------------|----------------------|------------------|------------------------|--------------|--------------|
| Section 5 | 1+205 | | | 0.260 | 113.13 |
| 87-14 | 90 | -20 | 5.2 | 0.258 | 1.33 |
| 87-15 | 270 | ⊹25 | 5.0 5.0 | 0.204 | 5.03 |
| 87-16 | 270 | -10 | 4.2 | 0.116 | 21.40 |
| 87-17 | 270 | -70 | 9.9 | 0.106 | 8.60 |
| Section 5 | 51+30\$ | | | | |
| | 00 | 60 ب | 8.6 | 1.080 | 40.71 |
| 87-18 | 90 | -60 | 12.2 | 0.914 | 35.86 |
| 87-19 | 90 | -00 | including 5.0 | 1.392 | 55.41 |
| | 00 | 0 | 9.8 | 0.520 | 31.03 |
| 87-20 | 90 | Š | 4.0 | 0.155 | 23.08 |
| 87-21 | 270 | +35 | 5.0 | 0.182 | 10.37 |
| 87-22 | 270 | +33 | 0.0 | | |
| Section | 51+40S | | | | |
| 07 07 | ე 0 | -75 | 3.3 | 0.140 | 5.86 |
| 87-27 | 270 | ₹3 8 | 3.4 | 0.265 | 27.46 |
| 87-28 | 270 | -G8 | 5.0 | 0.400 | 0.05 |
| 87-31 | 210 | • | 10.0 | 0.888 | 0.34 |
| Section 5 | 51+50S | | | | |
| 87-32 | 90 | +50 | 5.0 | 0.244 | 1.00 |
| 87-34 | 270 | +50 | 8.1 | 0.172 | 13.17 |
| 87-35 | 270 | -20 | 8.4 | 0.545 | 1.92 |
| | | | Including 1.2 | 3.406 | 11.83 |
| 87-3€ | 270 | -50 | 2.6 | 0.164 | 24.11 |
| 8 7-38 | 270 | -83 | 1.2 | 0.350 | 57.81 |
| | | | | | |

| Section 5 | 0+90\$ | | | | - |
|---|------------------------------|---------------------------------|---|--|---|
| 87-39 87-40 87-41 87-42 | 90 90 90 90 | +60 +20 -20 -75 | 6.3 7.0 13.9 8.4 including 4.0 9.6 | 0.338 1.365 0.545 1.131 1.857 0.793 | 34.72 98.97 48.24 67.06 120.95 80.63 |
| 87-43 | 270 | +15 | 5.0 4.0 | 0.730 0.218 | 0.51 0.92 |
| 87-44 87-45 | 270 270 | -10 -35 | 2.0 3.0 4.1 | 0.496 0.223 0.197 | 1.30 1.10 14.53 |
| Section 5 | 0+00\$ | | | | |
| 87-46 | 90 | +10 | 7.0 3.2 | 0.320 0.698 | 58.72 204.04 |
| 87-48 87-49 | 270 270 | +30 -45 | 4.7 5.3 9.1 4.0 | 0.374 0.540 1.365 0.150 | 1.43 1.93 1.49 17.80 |
| Section 5 | i0+70S | | · · · · · · · · · · · · · · · · · · · | | |
| 87-50 87-51 87-52 87-54 87-55 | 90 90 90 270 270 | +65 +22 -25 -30 -65 | 3.4 13.8 14.8 5.0 19.1 | 0.374 0.244 0.466 0.496 1.088 | 11.50 11.30 51.44 1.38 2.09 |
| Section 5 | 60+60S | | | | |
| 87-56 87-57 87-58 | 90 90 90 | +55 +12 -45 | 10.0 9.5 20.0 6.2 | 0.146 0.177 0.399 1.978 | 8.80 17.98 43.23 289.27 |
| 87-59 | 270 | -52 | 17.9 including 2.0 | 3.762 31.870 | 3.01 20.65 |

* MANSON CREEK RESOURCES LTD. (MCK-V)

GERMASEN LANDING AND - Manson Creek Resources Ltd
TOODOGGONE PROGRAMS REVIEWED has granted an option to

MGM RESOURCE CORPORATION

(MGU-V) to earn up to (50%) interest in Manson Creek's Germansen Landing, B.C., gold-platinum-rare earths project. Upon signing, MGM will issue 200,000 shares to Manson Creek and fund \$300,000 in exploration by 31Dec87 to earn 15%. MGM will have the further option to pay \$100,000 to Manson Creek and fund an additional \$300,000 in exploration by 31Dec88 to earn an additional 15%. MGM can then earn an additional 20% by paying \$200,000 to Manson Creek and funding a further \$400,000 in exploration by 31Dec89.

Exploration by <u>GOLDEN RULE RESOURCES LTD.</u>(GNU-T). Manson Creek Resources Ltd. and Anaconda Canada Exploration Ltd. from 1981 to 1984, totalling about \$800,000, has outlined several gold, platinum and rare earths targets.

MGM Resource plans drilling by mid summer. MGM Resource is planning a substantial private placement of flow-through shares to fund the exploration.

Manson Creek and Golden Rule, Toodoggone River area, B.C., have started exploration on the jointly-owned Mets property where drilling has outlined 141,278 tons grading 0.33 oz/ton gold in the "A Zone". Diamond drilling will begin soon. The program of \$1,100,000 will include backhoe trenching of the main structure that hosts the gold bearing zones as well as an initial 20,000 feet of diamond drilling on the A, Morth and Cirque Zones. This program is designed to establish 500,000 tons of high grade gold. Once this reserve has been drill indicated an underground program of bulk sampling, diamond drilling and exploration drifting will be necessary for a feasibility study and production decision.

Manson Creek and Golden Rule anticipate drilling until November in order to establish sufficient drill indicated reserves to allow for the decision to go underground in early 1988.