

KILO GOLD MINES LTD. (KGD-Alberta)

TWO GOLD PROSPECTS IN - Kilo Gold Mines Ltd. intends to B.C. WILL BE EXPLORED raise up to \$288,000 in Alberta via a private placement unit offering with certain "flow-through" provisions for continued development of the company's gold properties in B.C. Dr.D.S. Evans, president, reports that funds will be applied to both the Kilo property near Slokan in SE B.C. and the You property on the west coast of Vancouver Island, B.C.

On the Kilo proeptry, surface work in 1986 identified a silicified zone some 1500m long on the Skylark-Ranger claims hosting promising gold and silver mineralization associated with a "roof pendant" of metasedimentary rocks that appears similar to the setting of recent important discoveries by Northair Mines on the Hills property at Alywin Creek, about 15 km to the north. Trenching and up to 1000 meters of diamond drilling are scheduled to start in early July.

On the You property, further work to include geochemical sampling and trenching has been planned for 1987 prior to reconnaissance diamond drilling. Previous surface work around the old mine workings identified potential for a multiple vein system of high grade gold mineralization. The claim holdings will be expanded.

AMERICAN ORE LTD. (AOE-Alberta)

GOLDEN BAND RESOURCES INC. (GBN-Alberta)

INTERESTS ARE BEING EARNED IN - George W. Oughtred, ISKUT RIVER GOLD CAMP AREA, B.C. president of American Ore Ltd., announces an agreement with Delaware Resources Corp. and Golden Band Resources Inc. whereby American Ore and Golden Band will pool their lands in the Iskut River mining camp some 65 miles north of Stewart, B.C. The pooled land holdings exceed 12,000 acres and are contiguous to the north of Cominco/Delaware's SNIP gold discovery and 5 km north of Skyline Explorations Ltd.'s Stonehouse gold deposit.

American Ore and Golden Band each have the right to earn one third interest in the pooled lands by each spending \$400,000 on exploration. Subject to satisfactory progress of surface exploration now underway, drilling should start this summer.

CITY RESOURCES (CANADA) LIMITED (CIZ-V;CCIMF-Nasdaq)

GOLD-SILVER RECOVERIES EXCEED 90%. EXPECT - Graham PRODUCTION COST LESS THAN \$200 US P/OUNCE Balderson, executive vice president of City Resources (Canada) Limited, reports that bench scale metallurgical testing of various ore types from their Graham Island gold deposit on B.C.'s Queen Charlotte Islands resulted in gold and silver recoveries in excess of 90%. Test results from individual samples showed gold recoveries as high as 97%.

Test work was completed at Bacon, Donaldson and Associates' laboratories in Vancouver. Recoveries from individual samples were achieved by cyanidation of the ore after a pre-oxidation step. Two flowsheets have been tested with similar results. A continuous pilot plant operation will be established to confirm these bench scale results and generate design data for metallurgical and environmental engineering purposes.

Mr. Balderson says preliminary capital and production costs using either process are within pre-feasibility study estimates, and initial gold production is expected to cost less than \$200 U.S. per ounce recovered.

Geological reserves of the gold project are 44,000,000 tons averaging 0.058 oz/ton, including 7,000,000 tons grading 0.10 oz/ton.

A feasibility study by Wright Engineers Limited should be completed by 31Aug87; production is currently scheduled to start by May 1989. Annual production is expected to be within the range of 110,000 to 170,000 ounces of gold per year depending on the capacity of the production plant.

DK PLATINUM CORPORATION(DKP-V)

DRILL TEST OF TULAMEEN - Brian J. Gorval, president PLATINUM PROSPECT PLANNED of DK Platinum Corp.,

reports receiving results of its 1986 mapping and soil sampling on their claims in the Tulameen platinum district in south-central B.C. The consulting geologist identified 2 significant platinum anomalies. He recommends further soil and rock sampling followed by diamond drilling to test these anomalous zones. The company is arranging to do that work.

REA GOLD CORPORATION(REQ-V,T;REOGF-Nasdaq)

HOLE	TRUE WIDTH	OZ.SILVER/T	OZ.GOLD/T	ZINC	LEAD	COPPER
107	5 ft.9 in.	75.85	0.084	37.40%	4.12%	4.18%
108	10 3	407.18	.340	19.56	9.43	6.34
109	8 3	71.76	.074	4.23	1.50	2.35
plus 13	6	19.81	.038	2.25	1.55	0.78

Rea Gold Corp. has reported assays, as reported by MINNOVA, INC.(MVA-T) from 3 more holes on the Adams Lake claims, 30 miles NE of Kamloops, B.C. (SEE GCNL NO.108 FOR PREVIOUS ASSAY RESULTS.)