

CANOVA RESOURCES LTD. (CVD-V)

**NEW DRILL PROGRAM** - A comprehensive report has been STARTED AT ATLIN received from Homestake Mining Co. on the work completed to-date during 1987 on the company's Atlin Yellow Jacket, B.C. claims. Fifteen diamond drill holes were completed totalling 8,380 feet. A number of significant mineralized zones were intersected with values as high as 0.44 oz.gold/t over a true width of 6.5 feet. Some of zones carry visible gold, however, tracing the quartz veining and significant mineralization has proved difficult due to the unpredictable nature of the free gold bearing system and presence of cross-cutting structures which offset the zone. The possibility of a raking ore shoots remains untested.

The Yellow Jacket structure is now interpreted to be part of a tectonic melange. The fault zone, which dips sub-vertically, has been re-activated numerous times. The resultant fracturing has formed a plumbing system for hydrothermal fluids which have produced quartz carbonate alteration of varying intensity. The Yellow Jacket structure has been delineated by geophysical interpretation for approximately 5 km of which only 10% has been evaluated with diamond drilling.

A reverse circulation rotary drill program has commenced along the strike length of the Yellow Jacket structure to test associated parallel structures and cross structures for their potential as hosts for similar gold systems as discovered in the Yellow Jacket zone.