

TEUTON RESOURCES CORP. (TUO-V)

ASSAYS AWAITED OF DRILL CORE - The Scarn-type gold FROM TRENCHED HIGH GRADE ZONE discovery in the Treaty Creek area, 60 miles north of Stewart, B.C., is now called the "Konkin Gold Zone" after its locator. It lies within a wholly owned 36 square mile block of claims adjoining to the north-east of Newhawk and Granduc's Sulphurets gold-silver property (SEE MAP OVERLEAF).

President D.Cremonese, P.Eng., reports that samples from the first trench averaged 0.309 oz/ton in gold over 21.2 feet; a second trench, 30 feet distant, ran 0.252 oz.gold/t over 8 feet (lowest assay obtained was 0.185 oz/ton). These sample intervals represent partial zone widths only, as skarn mineralization extends beyond both ends of each of the trenches. From observed surface exposure, dimensions of the skarn are roughly 50 by 300 feet. Further continuity is obscured by overburden, however, field personnel have recently reported that similar mineralization has been noted at several places up to 1,000 feet from the initial discovery zone.

A drill program, designed primarily to test the full width and grade of the skarn zone, has advanced to Hole No.4. The first 2 holes were collared to intersect the high grade section within the skarn from which a chip sample yielded 28.0 oz.gold/ton over 4 feet. Holes 3 and 4 were collared 50 feet from the first two at the same set-up for drilling at different inclinations.

Mr.Cremonese says field reports are extremely encouraging, indicating that the 3 holes now completed all encountered skarn-type mineralization from drill collar to hole botton at about 205 feet.

Skarn mineralization observed in the diamond drill core was much the same as that in evidence on surface., according to the field geologist's report. Previous trenching of surface skarn exposures returned values ranging from 0.053 oz/t to 1.05 oz./t, the longest trench averaging 0.309 oz.gold/t over 21.2 feet. Drill core is now being split and logged for assay. Should the core assays prove comparable to those from surface trenching, potential for a major gold deposit would be implied.

Mr.Cremonese points out that Mesozoic era, skarn gold deposits can be very large in size. The best example in B.C. is Mascot Gold Mine's highly successful Nickle Plate operation which now has reserves of 8,300,000 tons grading 0.14 oz.gold/t.

Teuton's private placement of 200,000 flow-through shares at 75¢ each which was announced in mid-August has now been completed.

DREXORE DEVELOPMENT INC. (DXD-V)

SAMPLING RESULTS WARRANT - Adolf K.Huckschlag, president A MAJOR DRILLING PROGRAM of Drexore Development Inc., reports that a major

drilling program is now planned for their Midnight mine property located about 1 mile from Rossland in SE B.C., based on results of sampling of surface and old workings by consulting geologist Herb Wahl.

The richest gold assay was of sample RLM-5 taken from the Baker vein which was 10 inches wide and returned 2.048 oz.gold/ton. In the Baker stope, chips taken over 10 feet of the vein, which was 12 to 14 inches wide in sample RLM-14 and 10 to 18 inches wide in RLM-15, assayed 0.723 oz.gold/t and 0.73 oz.silver/t and 0.262 oz.gold and 2.60 oz.silver/t, respectively.

