

BRITISH COLUMBIA & YUKON CHAMBER OF MINES

CORDILLERAN ROUNDUP WILL - The British Columbia and Yukon Chamber of Mines is sponsoring the Fifth Annual Cordilleran Geology and Exploration Roundup in the Hotel Vancouver on February 2 to 5 inclusive. More than 1,300 delegates are expected to attend four full days of informative talks, presentations and poster displays.

The Roundup is a joint effort sponsored by the Chamber, involving the B.C. Ministry of Energy, Mines and Petroleum Resources; Geological Survey of Canada; Federal Department of Indian Affairs and Northern Development, and local mineral exploration companies. Talks and poster sessions cover the 1987 activities of these government agencies in B.C., Yukon and part of the Northwest Territories. Poster displays will also be presented by the Universities of B.C., Idaho and Western Washington and by Carleton University. Industry participation includes 12 core shack presentations, a number of prospect presentations in the Prospector's Tent and, on Thursday morning, a Plenary Session entitled "Snapshot 88, A Look at Tomorrow's Producers". The session will summarize exploration results of 12 advanced properties in B.C. and the Yukon.

This Fifth Roundup includes 2 new events. The Mineral Exploration Resource Forum in the afternoons of February 4 provides junior mining company executives with an opportunity to "showcase" their companies. In the morning of February 5, the Geological Association of Canada will present a number of distinguished speakers addressing Canadian studies of major geological structures.

The Roundup concludes on Friday with a dinner and dance. The annual H.M. "Spud" Huestis Award for an original application of prospecting techniques or other geoscience technology and the E.A. Scholz Medal for excellence in mine development will be awarded at that time.

KAMAD SILVER CO. LTD. (KDS-V)

HOLE NO.	LENGTH OF INTERSECTION	OZ. GOLD/T
2	1.4 feet	0.26
5	1.4	.20
7	3.30	.47
8	.33	.56
9	2.90	.23

LATE 1987 DRILL - Kamad Silver Co. has reported that, in RESULTS REPORTED 1987, Kerr Addison Mines Limited spent some \$412,500 on the Windpass property, located 8 miles east of Little Fort, 50 miles northeast of Kamloops, B.C. Eleven NQ diamond drill holes were drilled on the property totalling 6,596 feet. (See table above.)

Jack M. Maris, president of Kamad has reported that drilling on the Sweethome produced the most encouraging results. It revealed that substantial gold occurs in shear zones as well as in mineralized veins and it indicates that there may be at least two parallel horizons in the Sweethome system which carry gold in the 0.33 oz. gold/t range.

Kerr Addison has exercised its option payment and work program for 1988. Most of the program, which will be entail expenditures similar to last year's, approximately \$400,000, will be spent on a drill program. Field work will start when weather permits.

Under the agreement, Kerr Addison can earn a 60% interest in the property by spending a minimum of \$1,200,000 by Oct. 31, 1990.

Kerr Addison will participate in the Feb. 24 and 25 exploration conference in Kamloops, covering the Adams Lake-Clearwater region.

WESTMIN RESOURCES LIMITED (WMI-V,T)
SILBAK PREMIER MINES LTD. (SBP.A-V)
CANACORD RESOURCES INC. (CQD-T)

\$80,000,000 PRODUCTION AT 2,000 TONS PER DAY ANNOUNCED
Westmin Resources Limited, Silbak Premier Mines Ltd. and Canacord Resources Inc. have agreed to unitize their interests in the Silbak Premier-Big Missouri gold/silver properties, 21 kilometres from Stewart in northwestern British Columbia and proceed into production with this new operation to be known as the Premier Gold Project. The working interests in this new project will be Westmin 50.1%, Silbak 40.0% and Canacord 9.9%, with Westmin as operator. As part of the unitization agreement, Westmin has exchanged its net profits royalty interest in the Silbak Premier mine for other financial considerations. TOURNIGAN MINING EXPLORATION LTD. (TGN-V) holds a net profits royalty interest on production of ore from the Big Missouri property.

Production, at a rate of 2,000 tonnes per day, is scheduled to begin in early 1989. Final feasibility studies indicate an annual output of approximately 77,000 ounces of gold and 890,000 ounces silver over the first four years of operation, at an average cash production cost of US \$164 per ounce for gold and \$2.66 per ounce for silver during this period. Based on current precious metals prices and exchange rates, average annual cash flow (before financing and taxes) is estimated at approximately \$30,000,000, and payback is expected in approximately 2.5 years.

The Premier Gold Project will develop separate open pit gold/silver mines on the near surface portions of the famous Silbak Premier underground gold/silver mine which operated from 1918 to 1968 and several deposits on the Big Missouri property. Initial production emphasis will be on the higher grade portion of the Silbak Premier pit.

Capital cost excluding working capital, inflation and interest is expected to total \$80,350,000 of which approximately \$5,000,000 has been spent on roads, site preparation and various environmental and regulatory studies. Negotiations are proceeding with a number of institutions regarding financing, probably involving some form of bullion loan. The total employment during construction of this project is expected to peak at 220 people with the required operating staff estimated at 160 people.

Currently defined open pit mineable reserves include 5,900,000 tonnes at Silbak Premier, grading 0.063 ounce gold per ton and 2.34 ounces silver per ton and 1,600,000 tonnes at Big Missouri, grading 0.105 ounce gold per ton and 0.86 ounce silver per ton, sufficient for 10.5 years production.

An additional \$3,050,000 will be spent in 1988 on additional exploration to upgrade existing geological reserves to the mineable category, to extend reserves, and to investigate new areas of indicated potential for both open pit and underground reserves. Evaluation of the historical drill hole data and extensive underground workings at Silbak Premier is in progress to define targets for a start of testing later this year. Similarly, diamond drilling will test the deeper parts of the open pit zones at Big Missouri.

Pioneer Metals Corporation now owns a 41.07% interest in the Silbak Premier Mines company shares and holds options to increase this interest to 55.8%.