

SKYLINE EXPLORATIONS LTD.(SKX-V)

RESERVE	ESTIMATED	GOLD
<u>CLASSIFICATION</u>	<u>TONS</u>	<u>OZ/TON</u>
Measured	121,000	1.246
Drill Indicated	236,875	0.556
<u>Drill Inferred</u>	<u>700,000</u>	<u>0.570</u>
	1,057,875	0.644
Possible (McFadden Area)	30,000	2.80
Total Ore Reserve	1,087,875	0.704

MILL CONSTRUCTION STARTED - R.E. Davis, president of Skyline Explorations Ltd., reports that the Hercules airlift has been completed and that all of the mill machinery, equipment and building steel as well as all accommodation trailers are at the Johnny Mountain mine site 60 miles NW of Stewart, B.C. The larger pieces of the mill machinery have been installed. Erection of the steel columns for the mill buildings has started. Completion of the exterior walls and roof of the mill building is expected in early February.

Edward (Ted) W. Grove, consulting geologist, has estimated the current ore reserves on Skyline's wholly owned property to be those shown in the table. These indicate a potential of about 760,000 ounces of recoverable gold.

Mr. Davis also reports that the lower adit on 10 level has advanced to the Discovery zone. Preliminary indications are that the mineralization extends over a width of about 6 feet and results received to date show about 0.25 oz.gold/t for the first 2.5 feet which is considerably higher than the diamond drill core assays. Final assay results from samples of the Discovery zone on level 10 will be announced when available. The cross-cut is now proceeding south through the Zephria towards the 16 zone.

TUNGCO RESOURCES CORPORATION(TNG-V)

DRILLING PROGRAM STARTS - Tungco Resources Corporation president Kevin Whelan reports that an agreement has been reached with Canam Investment Corp. Ltd. and McDermid St.Laurence Ltd. to offer up to 500,000 shares on a best efforts basis.

Mr. Whelan also announces an immediate start of 3,000 feet of drilling in the Bluff zone in Tungco's Maratah property in Liard mining division in northern B.C. Tungco will enter into a long term contract with its driller.

ALMADEN RESOURCES CORPORATION(AMN-V)

WELL FUNDED ACTIVITY ON - With a healthy working capital SIX PROPERTIES REVIEWED position and flow-through exploration funding, Almaden Resources' vigorous exploration activity is proceeding as planned - management says that the results are encouraging and enhance the properties. In addition, Almaden has signed an agreement with Jefferson Gold Fund for \$200,000 to be spent by 29Feb88, and with NIM and Company Limited Partnership-1988 for \$464,000 of flow-through funds for 1988, thus ensuring that the present program and level of activity will continue. A description of individual projects follows.

In the Summerland area of B.C., overburden drilling on the Munro Lake silver property resulted in highly anomalous values over a strike length exceeding 3,000 feet. Heavy mineral separations from till samples returned values as high as 150 parts per million silver, and 11,000 parts per million zinc. Further overburden drilling followed by diamond drilling is planned in the coming field season to find and test the source of these values.

AURUM MINES LTD.(AUZ.A-V)

PRE-FEASIBILITY STUDY STARTED ON - John A. Chapman B.C. COPPER-MOLYBDENUM PROPERTY president, reports that Aurum Mines Ltd. has retained Phillips Barratt Kaiser Engineering Ltd. (PBK) to conduct a pre-feasibility study on Aurum's Hail Harper Creek property near Clearwater, B.C. Completion is expected by 31Mar88. All aspects of the project will be studied: geology, mining, metallurgy infrastructure and finance. PBK is a Vancouver based consulting company which has provided services to industry for 51 years.

Merit Consultants Ltd. will also provide input to the study in the areas of plant and infrastructure planning/costing. Merit is Vancouver based. It manages mines and mine construction. It is currently providing management services to 7 developing mines in Canada, U.S.A., Australia and Papua New Guinea.

Mr. Chapman says the Hail Harper Creek deposit is one of the largest known, yet undeveloped, copper/molybdenum deposits in B.C. The deposit also contains titanium, gold and silver.