

BETHLEHEM RESOURCE CORPORATION(BTH-V,T-BTHMF-Nasdaq)

GOLDNEV RESOURCES INC.(GNZ-V)

GOLD TORCH RESOURCES LTD.(GTJ-V)

PRIME RESOURCES CORPORATION(PMR-V)

ONE THIRD MINE PURCHASE TO - Douglas E.McRae, president  
PROVIDE PRODUCTION FUNDING of Gold Torch Resources has  
reported the acquisition of  
a 33.3% interest in the Gold Stream copper-zinc mine,  
owned as to 100% working interest 50-50 by Bethlehem  
Resources and Goldnev Resources. Gold Torch has agreed  
to pay \$5,000,000 for the 1/3 mine interest. When this  
purchase is completed the mine will be owned 1/3 by each  
of Bethlehem, operator, Goldnev and Gold Torch. The  
mine is located at 665 meters elevation, along Goldstream  
Creek, 90 km north of Revelstoke, B.C.

On July 21, 1989, the formal closing took place for  
the purchase by Bethlehem and Goldnev of the Gold Stream  
mine from Noranda for \$6,000,000. After the Bethlehem  
Resources' purchase price and costs to production are  
repaid Noranda is entitled to a 15% net profits interest  
until all of Noranda's capital costs plus interest are  
repaid. When Noranda has been paid out the original  
prospectors are entitled to a 35% net profits interest.

Bethlehem has estimated it will cost \$10,000,000  
including working capital, excluding the \$6,000,000  
purchase price, to bring the mine to production at 1,100  
tons per day. Reserves are currently estimated at  
2,000,000 tons grading 4.8% copper, 2.7% zinc, 0.6  
oz.silver/t. It has been estimated that a crash program  
could achieve production about Oct.30, 1989. (SEE MUCH  
MINE DETAIL GCNL NO.145, 28Jul89).

The \$5,000,000 to be paid by Gold Torch, together  
with funds now on hand from the sale of the Gold Stream  
mining camp and surplus equipment, and bank lines for  
working capital are estimated to be sufficient to achieve  
production without further funding. Bank lines for  
working capital have been discussed with several banks  
but have not yet been subject to detailed negotiation.

Prime Resources has agreed to buy 1,000,000 escrow  
shares of Gold Torch from Carlo Civelli and Douglas  
McRae. It has been proposed that Murray Pezim, Art  
Clemis, John Ivany and Larry Page become directors of  
Gold Torch. Gold Torch recently appointed Fredrick B.  
Kaufman a director who will now resign following the  
change of control. Prime Equities have agreed to arrange  
all suitable financing for Gold Torch.

On June 1, 1989, Gold Torch reported cancellation of  
the proposed private placement of 1,300,000 units, post  
split, at 64¢ each announced March 3, 1989 to Algemene  
Bank Nederland Schweiz & Credit Commercial de France  
(Suisse) S.A. On Dec.22, 1988 Gold Torch completed a  
private placement sale of 300,000 pre-split units at 52¢  
each including warrants to purchase 600,000 split shares  
at 31¢ each until Nov.29, 1989. Gold Torch shares  
started trading on a sub-divided basis one old for two  
new shares on March 6, 1989, when there were 4,343,502  
shares issued, including 1,500,000 shares in escrow.

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