

George Cross

Reliable

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DECEMBER 8, 1989

WESTERN CANADIA

MAGNA VENTURES LTD. (MVN-V)

SILVER PRINCESS RESOURCES LTD. (SVP-V)

DOC OPTION DROPPED - Bradford J. Cooke, president, reports Magna Ventures Ltd. and Silver Princess Resources Inc. have been notified by operator ECHO BAY MINES LTD. that their 1989 exploration program on the DOC property near Stewart, B.C. is now complete. Echo Bay has elected to drop its option on the DOC property without earning any interest and has returned the claims to Magna and Silver Princess. Management plans to review the Echo Bay exploration data in detail prior to any discussions of further development. Several new gold/silver showings were discovered in 1989 and two, the Lucky 13 and South Extension, show potential for "Calpine" type deposits.

The primary purpose of the 1989 work program was to determine the geological setting, character, extent, grade and tonnage of the gold-bearing quartz veins and to evaluate the potential for alternative targets on the DOC property. A total of 140 rock samples were collected on 40 field traverses carried out by a four-man crew over a one-month period.

On the Alf 3 claim, 10 different Alf veins were discovered that assayed up to 0.19 oz.gold/ton and 1.18 oz.silver/ton Ag in grab samples and up to 1.30 oz.gold/ton and 4.84 oz.silver/ton in float samples. The Glacier veins on the Alf 2 claim returned assays of up to 0.047 oz.gold/ton and 1.00 oz.silver/ton in chip samples and up to 0.22 oz.gold/ton and 4.11 oz.silver/ton in float samples. A number of new veins found on the Dival and Bliss claims assayed up to 0.11 oz.gold/ton, 7.30 oz.silver/ton, >1% lead, >1% zinc and 0.14 % copper in grab and chip samples.

104B 15

p. 1 of 2

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The most important discovery, however, was a zone up to 800 metres wide by more than 2,000 metres long of altered felsic to intermediate volcanic and volcanoclastic rocks located along the east side of the South Unuk River paralleling a major NW-trending fault zone. This zone has a striking similarity in its stratigraphic setting and lithological character with the Eskay Creek deposit of Calpine Resources/Stikine Resources some 30 kilometres along strike to the north.

The Lucky 13 and South Extension showings contain pyritiferous altered felsic fragments in a gossanous matrix within a 10-20 metre thick zone carrying anomalous metal values of up to 0.03 oz. gold/ton, 1.07 oz. silver/t, 0.72% lead, >1% zinc and 0.3% copper. These showings indicate that this area has strong potential to host volcanogenic exhalative precious and base metal deposits within "Calpine"-type stratigraphy.

Although the gold-silver quartz veins do not appear to hold sufficient tonnage potential for Echo Bay, the small, high grade gold/silver deposits in the Q17 vein and other veins may offer attractive targets for high-grading in the future. The Lucky 13 and South Extension showings represent prospects that require further work to develop their mining potential. (See GCNL No. 144, 27JUL89, P. 2 for earlier data).

104 B 15

p. 2 of 2