STREETING HE PARAGE TO DE COPYRIGHT ALL REPRODUCTION AND PERROLEUM DESOURCES RIGHT RESERVED PUBLISHED DAILY 000 SUBSCRIPTION RATE 111 04 1989 \$300.00 PER YEAR coss News L FAX (604) 683-5306 NO.123(1989) liable Reporting JUNE 27, 1989 **NADIAN INVESTMENTS** REA GOLD CORPORATION (REO-V, T: REOGF-Nasdaq) FIRST CONCENTRATES SHIPPED - John W. Fisher, P.Eng., FROM SAMATOSUM MINE director and vice-president, milling, of Rea Gold Corporation reports the Samatosum high grade silver and base metal mill 28 miles northeast of Kamloops, B.C. 15 satisfactory progress + through intital making its commissioning and tune-up stage. Start up in the latter part of May was about one month ahead of schedule. Initial shipments of lead and zinc concentrates were made in the first half of June. More than 180 tonnes (200 tons) of copper/silver concentrates have yet to be shipped. Arrangements have been completed for the sale of all concentrates. Rea Gold has a 5% net smelter royalty and a 30% working interest in the joint venture with Minnova Inc. The open-pit mine is developed and able to supply Sufficient ore to maintain mill throughput at its rated capacity of 450 tonnes (500 tons) per day. During the first four weeks the mill has operated at 50% to 70% of capacity as tune up proceeds and efficiency is brought up to the levels indicated by testwork. At prevailing metal prices the project is expected to generate in excess of \$40,000,000 revenues from sales of copper/ silver; lead/silver/gold; and zinc concentrate during

the first full year of production.

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