

33 News Letter

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DIAN INVESTMENTS

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\$300.00 PER YEAR
FAX (604) 683-5306

NO.86(1989)

MAY 4, 1989

82FNW234

ESPERANZA EXPLORATIONS LTD. (EEP-V)

1988 IN REVIEW - Esperanza Explorations Ltd. owns 100% of the Tillicum Mountain gold project 20 miles east of Burton, B.C. and has been exploring the mine since 1981. (SEE MAP OVERLEAF PAGE ONE). Expenditures in 1988 were \$4,400,000 bringing aggregate expenditures to \$10,000,000. Earlier exploration had been centered on the high-grade Heino-Money zone where 55,000 tons grading 1 oz/t have been taken to a proven category. In 1988 the East Ridge zone saw drilling and underground exploration which increased the project's total gold reserves to 1,400,000 tons grading 0.27 oz.gold/t. Good potential exists for increasing reserves.

The East Ridge zone gold mineralization is contained in skarn structures varying in thickness from 5 feet to over 15 feet within a 30 to 80 foot wide gold zone which has been drilled over a 3,500 foot strike length to a depth of 1,200 feet with the ultimate dimensions of the mineralized zone still unknown.

The Heino-Money zone has now been demonstrated both by drilling and underground exploration to contain at least 55,000 tons of proven and probable ore at an average grade of 1.05 oz.gold/ton. The gold mineralization, like the East Ridge zone, is contained in a near vertical skarn structure which averages about 6 feet in width. To date the Heino-Money zone has been delineated from underground over a strike length of 600 feet and a verticle extent of 300 feet and is open to extension.

Metallurgical testing of a bulk sample from the Heino-Money zone resulted in excess of 92% recovery, achieved through a conventional gravity flotation process. The East Ridge ore appears to be of similar metallurgical character and does not require the use of cyanide.

Exploration potential exists in the Strebe, Grizzly and Arnie Flats zones on the property.

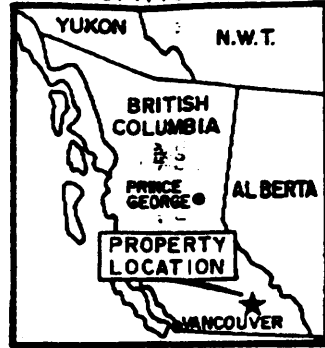
The \$3,000,000 work planned for 1989 calls for 30,000 feet of drilling at East Ridge followed by 2,600 feet of underground drifting and raising. Subject to financing this work should start in June. The program is designed to advance 400,000 tons of reserves to an underground proven category for a production feasibility study. Drilling is also proposed for the other zones.

On May 15, shareholders of Esperanza will be asked to approve a 3-old for 1-new share consolidation and a name change to COLUMBIA GOLD MINES LTD. (SEE GCML NO.20, P.1, 30JAN89).

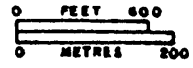
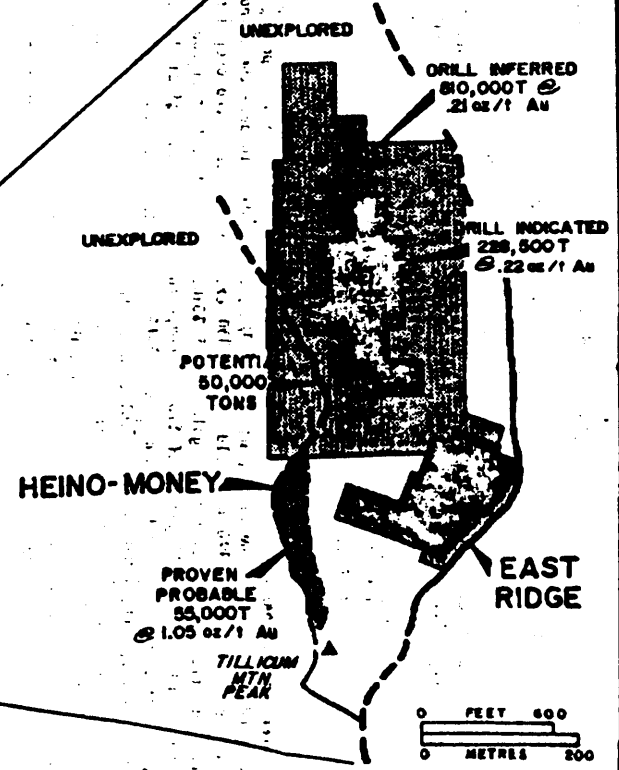
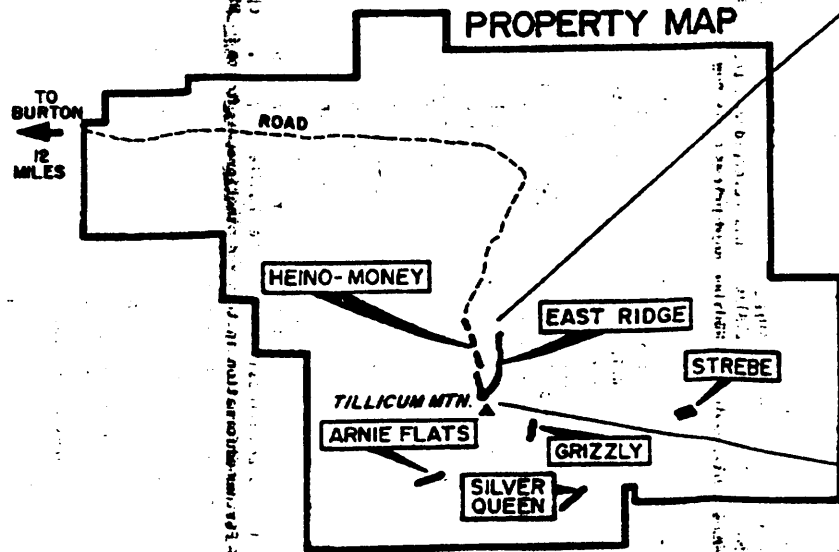
ESPERANZA EXPLORATIONS LTD

TILLICUM MOUNTAIN PROPERTY GOLD & SILVER DEPOSITS

LOCATION MAP



PROPERTY MAP



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