

HOMESTAKE GOLD- James M. Stephen, president reports
PROPERTY ACQUIRED that NDU Resources Ltd. has acquired
the 5,000 acre Homestake gold property
about 23 miles NE of Alice Arm, B.C. and immediately
north of the Torbrit and Dolly Varden silver deposits.

NDU can earn a 100% interest in the six Bevil-McKern
claims, subject to a 3% net smelter return, by carrying
out \$750,000 of exploration and making staged payments
totalling US \$160,000 by 30Jan93. A 50% interest can be
earned in the 7 claim block owned by CAULFIELD
RESOURCES LTD. and 37 units owned by ON WAH INVESTMENTS
CORP. (ONW-V) by spending \$550,000 on exploration and
making cash payments totalling \$50,000 prior to 1992. A
further 50 units were staked.

NDU has granted Noranda Exploration Company, Limited
an option to earn half of its rights to all the claims in
return for funding the initial \$1,000,000 of exploration
and making all cash payments required to vest NDU in the
underlying options. Noranda will be the operator and
spend a minimum of \$300,000 on exploration in 1989.

Mineralization occurs in the same geologic setting
as the gold deposits in the Stewart-Iskut district. Gold
occurs in sulphide lenses and low-sulphide alteration

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zones associated with volcanic complexes. Previous gold
assays from the Homestake property include a 27 foot chip
sample grading 0.8 oz.gold/ton from the Bevil-McKern
group, 2.8 oz.gold/t across 76 inches from the Caulfield
block and 1.72 oz.gold/t across 28 inches from the On Wah
claims. An 8.8 ton shipment from the Bevil-McKern group
in 1939 contained 36 oz. gold, 52 oz. silver, 1320 lbs.
copper and 668 lbs. zinc.