

George Cross

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WESTERN CANADI

LOKI GOLD CORPORATION (LKI-ALBERTA)

EXPLORATION HIGHLIGHTS - Lawrence J. Nagy, president, reports all assays have been received from this year's exploration program at the optioned Cunningham Creek property near Wells, B.C. (SEE GCNL No. 88, 8May89, P.2 FOR ACQUISITION DATA) About \$200,000 was spent exposing and channel sampling a number of shear/vein-controlled gold and silver showings within a four km long section. Detailed soil sampling was also carried out. Highlights are as follows:

<u>GOLD</u> <u>OZ/T</u>	<u>WIDTH</u> <u>METERS</u>	<u>GOLD</u> <u>OZ/T</u>	<u>WIDTH</u> <u>METERS</u>	<u>'The Jewellery Shop show-</u> <u>ing, left, was exposed</u>
0.77	4	0.20	2	'over a 54-meter strike
.35	2	.22	2	'length averaging about
.26	3			'three meters in width.

0.52	2			' Significant gold assays from trench
.66	4			' channel sampling of the <u>"B" zone, left,</u>
.12	3			' <u>located about 150 meters NW of the</u>

				<u>Jewellery Shop showing.</u>
0.13	3	0.63	2	' <u>The Hiberian showing,</u>
0.17	3	.28	2	' <u>at left, was exposed</u>
.48	2	.23	3	' <u>300 meters NE of the</u>

				<u>Jewellery Shop showing.</u>

It was noted gold mineralization is sporadic in distribution; however, the results are considered sufficiently encouraging to continue with Phase II of the exploration program. Field crews were recently mobilized and a \$150,000 diamond drilling program will begin Nov. 1/89. About 15 shallow, angled holes will be drilled to test strike and dip continuity of the higher grade gold zones.

Loki Gold has acquired an option to earn a 100% interest in 16 claims adjacent to the Cunningham Creek claims agreement from Richfield Metals Inc. by paying \$250,000 by 31Jul94, 50% of which may be paid in shares.

Loki Gold has arranged a private placement to CMP 1989-II Resource Partnership & Co. Ltd. for \$150,000 that will consist of 409,836 shares at 36.6¢ each.

93A 51