

George Cross

Reliable K

NO. 227 (1989)
NOVEMBER 27, 1989

WESTERN CANADIA

LYSANDER GOLD CORPORATION (LYS-V)

MAJOR EXPLORATION PLANNED IN 1989 FOR MT. MILLIGAN LOOK-A-LIKE ALKALINE INTRUSIVE COPPER-GOLD PORPHYRY

In a recent interview Lou M. Duarte, president, C. Mark Rebagliati, P. Eng., consultant with Lysander and Don K. Mustard, geologist reviewed; the geology, exploration program and results on the 100%-owned Bet claim and the surrounding 50%-optioned Cat 1 claims, located at 4,000 to 5,000 feet elevation on Cat Mountain, 10 km southwest of Uslika Lake, on the Osilinka river, 100 km north of and in a similar geological setting as the Mt. Milligan copper gold project of Continental Gold/B.P., 250 km north west of Prince George, B.C. The property is geologically within the Quesnel Trough. The main Osilinka logging road crosses a portion of the property with a mine road built to the top of the mountain and the area of trenches.

Lysander is operator and holds an option to earn a 100% interest in the Bet claim and an option to earn a 50% in the surrounding Cat claims from B.P. Minerals by spending \$150,000 on exploration by Jan. 1, 1991. B.P. holds a right to back-into a further 10% by spending \$60,000, then the property interest would be 60% BP, 40% Lysander. As a result of the encouraging results in geological mapping, trenching and drilling in the 1989 season, the property area has been increased to approximately 40 square km. to cover similar geological environments and geophysical targets.

Soil sample surveys located a gold copper anomaly on the Cat claims with conditions directly comparable in size and strength with those reported for the Mount Milligan deposit, 170 km to the southeast and the QR deposit 450 km to the southeast. Trenching in 1989 opened significant widths of copper/gold mineralization. The trenching was undertaken to follow-up aerial magnetometer surveys which located prominent anomalies confirmed by multi-element geochemical surveys in a high level subvolcanic alkaline intrusive porphyry environment. The Cat mineralization and geological setting is similar to Copper Mountain, Afton, Mt. Polley and Mt. Milligan.

- CONTINUED ON PAGE TWO -

94C General

P. 1

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CONTINUED FROM PAGE ONE - The ground magnetometer survey work confirmed the aerial target with the soil geochemical work, including over 100 pits and trenches, indicating a strong gold copper anomaly over an area 1 km by 2 km.

The seven trenches were dug to explore the copper showing and the gold/magnetite veins hosted by altered volcanic units adjacent to a syenite stock. Assay results from the trench samples are shown in the table above and on the map overleaf.

The assays from the first of seven holes drilled this season were reported recently at 117.5 feet of friable volcanic rock assaying 0.18% copper, 0.042 oz.gold/t. Assays from the balance of the six holes will be reported shortly. The approximate drill hole locations are shown overleaf.

Don Mustard's summary is "The alkaline copper/gold porphyries will be as important to B.C.'s gold production as the Carlin gold belt has been to Nevada."

The Cat has all of the characteristics of an alkaline copper gold porphyry, good prominent magnetic expression, strong geochemical readings, massive magnetite veins, homogenous copper mineralization, high gold grades in magnetite veins and dikes, widespread potassic alteration. All peripheral to an alkaline pluton. The gold is associated with chalcopyrite, magnetite and pyrite. All the mineralized zones appear to have a strong structural control. Many targets are blind because the mineralized zones are recessive. Induced polarization surveys are helpful in locating these targets. There are three areas on the property: West zone which was trenched in 1957 by Croydon Mines to yield sample assays of 4.16% copper, 0.05 oz.gold/t over 34 feet. Upper Copper zone and the Hogarth zone.

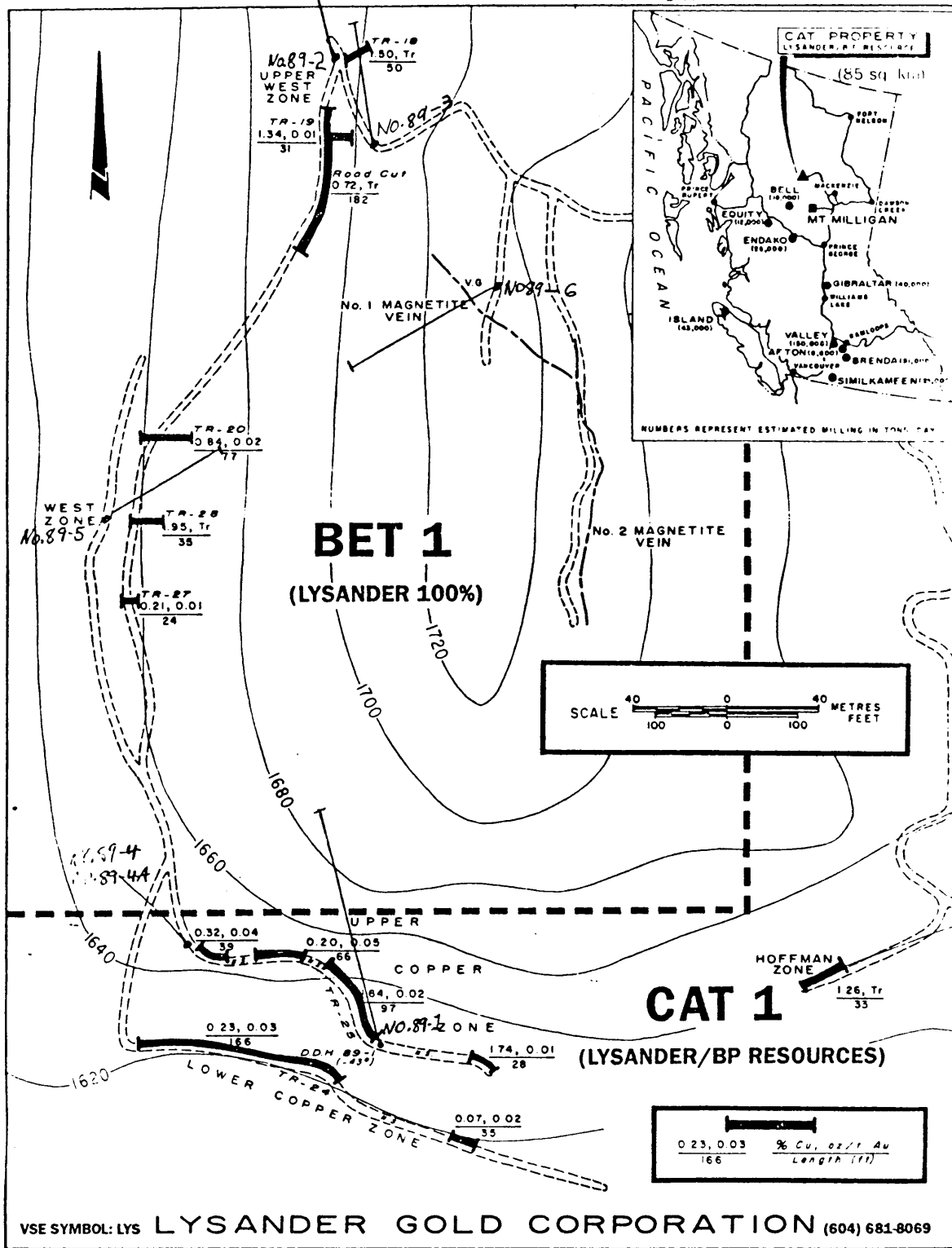
On Sept. 20,1989 the company reported a private placement of 314,284 flow through shares at 35¢ each and had earlier received a private placement of 200,000 flow through shares at 25¢ each. Both have been approved by the Vancouver Stock Exchange which increased the issued to 3,772,297 shares.

The exploration program for the property for 1990 is in the early planning stage but is expected to be in two phase, mostly drilling, and to cost in excess of \$1,000,000. Discussions for funding are underway.

94 C General
p. 2

George Cross
Reliable K

WESTERN CANADA



94 C General
p. 3