

DOLLY VARDEN MINERALS INC. (DYV-V)

NORTH STAR ZONE BELOW THE 1,025 FT. LEVEL					GOLD	SILVER
HOLE NO.	WIDTH	ZINC %	LEAD %	COPPER %	OZ/T	OZ/T
NS-89-1	13.5 ft.	4.46	0.45	0.10	0.01*	0.50
NS-89-2	13.7	3.48	0.58	0.10	Tr	0.69
plus	1.2	0.06	2.40	2.40	0.07*	2.40
NS-89-3	4.1	0.02	0.01	0.82	0.17*	0.21
NS-89-4	29.2	6.09	1.67	0.10	Tr	3.50
includes	15.9	8.92	2.92	0.13	Tr	6.21
NS-89-5	18.3	5.34	0.33	0.06	0.022*	0.54
NS-89-6	5.0	2.29	2.93	0.56	0.004*	2.51
plus	6.0	0.06	0.34	0.03	0.07*	2.51

\*Equivalent values from geochemical analysis

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 Dolly Varden Minerals has reported exploration expenditures in the 9 months ending 31Aug89 of \$959,388

on the 100% owned property near Alice Ann, 30 Km south of Stewart, B. C. Working capital at 31Aug89 was \$101,000, when there were 10,425,726 shares issued. American Pacific Mining Company purchased for \$975,000 or 65¢ each 1,500,000 units of 1,500,000 tax flow-through shares and a warrant to purchase by April 15, 1990 a further 1,250,000 flow-through shares at \$1.30 per share. The company will seek new funding to resume exploration in the spring of 1990.

The Dolly Varden property contains several past producing mines and prospects which are hosted by Jurassic Hazelton Group rocks belonging to the Unuk River, Betty Creek and Mt. Dillworth formations. Most of the prospects occur at or closely stratigraphically below the Mt. Dillworth Formation, which also hosts the new Eskay Creek gold discovery.

The new work in the Northstar Mine focussed on zones with strong zinc and massive sulphide contents, targeting a volcanogenic exhalative deposit.

Six diamond drill holes tested the Northstar zone at depths 100 to 500 feet below the lowest mine level at 1,025 feet above sea level and confirmed the volcanogenic exhalative interpretation, by intersecting extraordinary thicknesses of exhalative silica, barite, calcite and sulphides up to 80 feet thick. A hanging wall portion of the exhalite ranges up to 50 feet thick and contains strong zinc, silver and lead with some copper and gold. See table of drill hole assays above.

In addition, two holes, drilled earlier into the same zone of mineralization, returned mineralized sections as follows: DDH NS-16 cut 55 feet assaying 5.9% zinc equivalent and DDH NS-17 cut 11.5 feet assaying 18.6 zinc equivalent. Earlier drilling had indicated between 140,000 and 190,000 tons grading 11.71 oz.silver/t, plus zinc, all above the 1,025 level.

Dolly Varden president W.F. Christensen reported these results, in combination with the known Northstar reserves, indicate the strong potential for discovery of a substantial polymetallic ore deposit on the property.

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