

George

NO.201(1989)  
OCTOBER 19, 1989

WESTERN

MACNEILL INDUSTRIAL INC. (MCE-V)

EXTRA-ORDINARY MEETING CALLED - G. Arnold Armstrong,

director, reports that an extra-ordinary general meeting of shareholders will be held in the boardroom of the company's solicitors, Armstrong & Co. 480-650 West Georgia St., Vancouver, B.C. at 2 p.m. on 5Dec89. All shareholders of record as of Oct.30, 1989 will be entitled to vote on a \$15,000,000 financing. Shareholders will also be asked to approve the distribution of 49% of the issued shares in MacNeill's

wholly-owned subsidiary Spokane Minerals Ltd. to the company's shareholders on a percentage of ownership basis.

Although MacNeill originally announced Spokane's shares would be distributed to shareholders of record as of Oct.10, 1989, company directors extended the date to Oct.16, 1989. In order to avoid the distributed shares being taxable in the hands of the shareholder, the Spokane shares will be distributed by way of reduction of the capital of MacNeill. The value of 49% of Spokane Minerals will be assessed and the distribution will reduce the capital of MacNeill and the book value of the company's shares accordingly, subject to shareholder, regulatory and Supreme Court of B.C. approval.

Armstrong also reports a \$250,000 private placement of flow-through shares at a price yet to be set to CMP 1989 -II Resource Partnership. The funds will be used for a drilling program to start immediately on the Cub 200 claim located about 3,000 m.SE of MacNeill's Spokane gold property near the headwaters of Fell Creek up the Yalakom River, 40 km NW of Lillooet, B.C. Visible sulphides have been traced for over 2,000 ft. on surface with widths of 200 ft.

On the Spokane property, in conjunction with drilling, a program of trenching to expose quartz veins is underway. Assays of grab samples from trenches returned values of 1.93 oz.gold/t and 4.4% copper. Drill hole 89-105, located within 100 ft of an old adit, intersected 50 ft of mineralized quartz grading 0.22 oz.gold/t; within 50 feet, 11.4 ft graded 0.80 oz.gold/t & 3.1% copper.

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