

NG.119(1990)  
JUNE 20, 1990

WESTERN CANADA

KOKANEE EXPLORATIONS LTD. (K00-V)

BARKHOR RESOURCES INC. (BHO-V)

DEFAULTED AGREEMENT EXTENDED - Barkhor Resources has ASSAYS AWAITED FROM DRILL CORE defaulted on the June 15 1990, exploration work payment of \$150,000 to Kokanee Explorations which is a portion of the payments to earn a 50% interest in the 106 claim Star project, 35 miles southwest of Cranbrook, B.C. To earn the interest Barkhor is required to spend \$600,000 on exploration over 2 years and issue 100,000 shares to Kokanee. The option was terminated and reinstated with an extension to July 15, 1990, of the due date for the \$150,000 payment. For granting the extension Kokanee has been given, subject to regulatory approval, an option to buy up to 2,000,000 shares of Barkhor over two years, in blocks of 400,000 shares each at prices from \$1.65 to \$5.00. Barkhor currently has 4,041,002 shares issued. The reinstated agreement is subject to receipt of regulatory approvals by Sept. 18, 1990, or Kokanee may terminate the agreement by returning \$150,000 to Barkhor.

On the Star property Kokanee has reported the hole No. S90-2 has intersected 19 feet of Aldridge formation sediments containing eight, well mineralized, intervals of vein and bedding parallel massive sulphides. Five of the bedded intervals contain layered, high grade, lead, zinc and iron sulphides up to a foot thick.

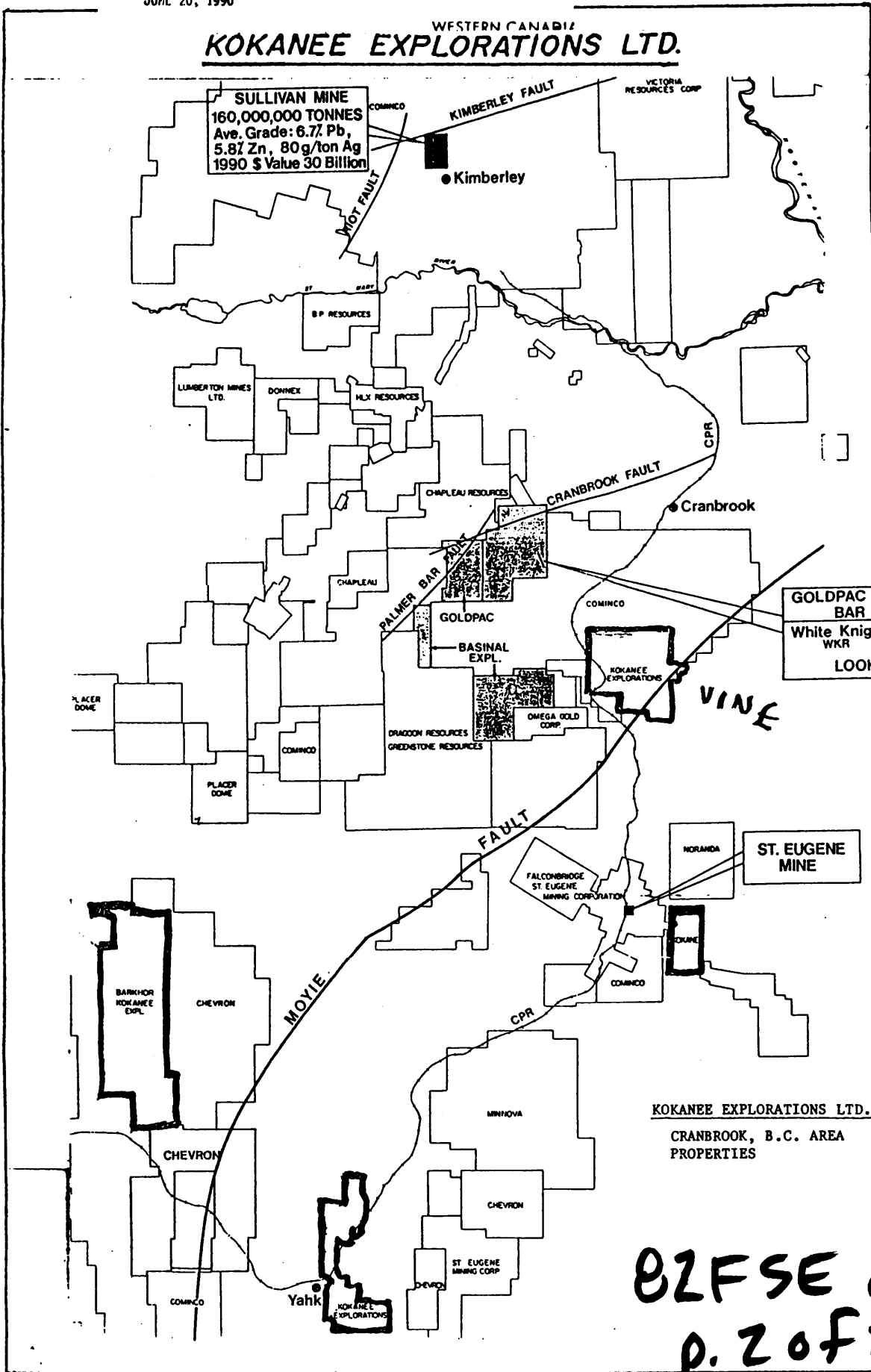
In the immediate area of this main zone, several thin, high grade, bedding parallel, lead and zinc sulphides zones were intersected. The hole also intersected anomalously high amounts of disseminated and vein type lead and zinc sulphide mineralization (quantitatively more than was intersected in S90-1), the upper vein zone and tourmalinite fragmental zone (as was seen in hole S90-1). Hole S90-3 has been collared 600 feet to the south of S90-2 to further test this stratiform nature of the mineralization. Hole S90-1 as completed to a depth of 1,450 feet and intersected over 1,000 feet (400 - 1,400 ft.) of Aldridge stratigraphy which hosted two thick veins of lead and zinc sulphide and many veinlets and disseminated lead and zinc sulphides. The drill core exhibited features similar to the Sullivan deposit. (See GCNL No.105, 31May90, P.3 FOR PREVIOUS DATA.). Assays from each hole are awaited.

Derek Huston provides investor relations to Barkhor. On April 6, 1990, Yorkton Continental exercised an option to buy 500,000 shares at 15¢ each for proceeds of \$75,000. On May 13, 1990, Barkhor reported completion of a private placement of 1,000,000 units at 15¢ each, with warrants on 1,000,000 shares at 15¢ in year one and at 17¢ in year two, to places: Derek Huston, Sheila Newcomen and Ray Tepper.

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