

George Cross

Reliable

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OLIVER GOLD CORP. (OGO-V)

EXPLORATION RESUMES - Lawrence J. Nagy, vice president, reports Oliver Gold Corp. will resume exploration of its 100%-owned Fairview gold property located six km NW of Oliver, B.C. To date, Oliver Gold has spent over \$1,600,000 on drilling and underground rehabilitation concentrating mainly on the Fairview and Stenwinder mine areas. Present indicated

and inferred reserves are estimated at 1,864,000 tons grading 0.107 oz.gold/ton and 1.11 oz.silver/ton cut and diluted (at 15% grading 0.017 oz.gold/t and 0.17oz.silver/t). Within the indicated ore blocks, about 440,000 tons grading 0.194 oz.gold/t and 2.21 oz.silver/t have been identified. This high grade area will be the focus of this year's work.

Management believes if 400,000 to 500,000 tons of ore grading 0.20 oz..gold equivalent/t could be developed below the 6 level at the Fairview mine, this ore would justify a 300 tons per day mill. A preliminary feasibility report completed in March/90 estimated capital costs of \$6,950,000 and operating costs of \$52.84 per ton milled. With gold at US\$400 per oz., an internal rate of return of 29.89% and payback in 2.8 years can be expected.

Prior to beginning the 500 meter exploration decline, Oliver will spend an additional \$200,000 on 1,600 meters of diamond drilling to confirm grade and structure below the 6 level. Funding is in place and work will start the last week of May and conclude by mid-June, when decision on the decline will be made. (SEE GCNL No.188, 29Sep89, P.2 FOR RELATED DATA)

82ESW 7 (Stenwinder)