

REA GOLD CORP. (REO-V,T; REOGF-Nasdaq)

MORE SAMATOSUM VALUES CUT - Larry W. Reaugh, president, Reaugh Gold Corp., reports further underground drilling results from the Samatosum mine located 60 miles northeast of Kamloops, B.C. The mine is a J/V between MINNOVA INC. (MVA-T,M), the operator, with 70%, and Rea Gold with 30% plus 5% NSR.

Infill drill hole U1330-83 on Section 96+70mW has further confirmed a new zone of high gold, silver and base metal mineralization in quartz veined/ pyritic sediments. The new zone, at about 1,275 meters elevation, is 10 meters below and strikes parallel to the Sam Horizon, but appears to dip more steeply. It was first located in previously reported drill holes U1330-38 on Section 96+80mW and U1330-43 on Section 97+00mW. Drilling to date has indicated a strike length of 50 meters. Hole U1330-83 was drilled at azimuth of 045° at an angle of -88° for 90 meters. See below:

INTERVAL	LENGTH	COPPER	LEAD	ZINC	SILVER	GOLD
<u>METERS</u>	<u>METERS</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>GRAM/T</u>	<u>GR/T</u>
48.5-57.0	8.5	0.87	1.66	0.65	102.0	9.46

A 1.8-meter zone of lower values lies immediately below this high grade intersection within semi-massive to massive, fine-grained pyrite. See results below:

58.4-60.2	1.8	.11	.17	.43	13.5	1.11
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 The gold zone has now been located on Sections 96+60mW, 96+80mW and 97+00mW. (SEE GCNL No.52, 14Mar91, P.1 FOR PREVIOUS U/G DRILL RESULTS)

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