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REA GOLD CORP. (REO-V,T; REOGF-Nasdaq) DRILLING STARTED - Frederick J. Sveinson, vice president, reports Rea Gold has started a 2,000-meter diamond drill program on the east end of the Main zone of the QR gold deposit 73 km SE of Quesnel, B.C. Rea Gold gained control of the deposit in May when it acquired 96% of the shares of QPX Minerals.

The program, to be completed in September, will determine the horizontal and vertical grade continuity to assess the grade control and mineability expected in mining. It is expected the Main zone will first be mined as an open pit. The deposit is comprised of three separate ore zones; the main zone, the midwest zone and the west zone. A total of 1,200,000 tonnes of mineable reserves grading 5.2 grams gold /tonne were estimated in a prefeasibility study completed in June 1991. A feasibility study will be completed after the drilling program and followed by a production decision. (SEE GCNL No.142, 24Ju191, P.1 FOR RELATED INFORMATION)

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