

COLUMBIA GOLD MINES LTD. (COB-V)EURUS RESOURCE CORP. (ERR-V)**VISIBLE GOLD IN NEW HOLES INCREASES INTEREST  
IN SPECTRUM'S EXPANDING HIGH GRADE RESERVES**

**INTRODUCTION** - High grade visible gold in the most recent diamond drill holes on the Spectrum gold property of Columbia Gold and Eurus Resources has prompted a number of property visits by mining analysts and geologists. The property is in the north Iskut camp in the Stikine Arch, 200 km north of Stewart, NW B.C. The property tours were conducted by Wayne J. Roberts, vice president exploration, and John S. Brock, president of Columbia. Both are geologists.

The companies reported a number of recent drill hole assays which added new tons to the reserves of 1,500,000 tons of 0.4 oz. gold/t, over an average 16-foot vein width, drill indicated by previous work. The objective for the 1991 program is to drill indicate 5,000,000 tons grading 0.3 oz. gold/t containing a minimum of 1,500,000 oz. gold. Results to date, in the 1991 program have generally exceeded expectations. On July 22, the companies reported hole 91-71 at a depth of 340 feet cut a 30-foot wide zone with molybdenum, chalcopyrite and sphalerite mineralization of which 15 feet contains coarse grained visible gold. The visible gold in this interval is the highest concentration intersected to date. A second 17-foot wide zone in hole 91-71, at 210 feet below surface also contains several grains of visible gold. These intersections are about 200 feet northeast of the previously reported mineralization encountered in hole 91-63, which returned 20.3 feet grading 0.71 oz. gold/ton. Assay results from these section are expected to be reported in a few days. (SEE MAP OVERLEAF FOR DRILL HOLE LOCATIONS)

104G 36

P. 1 of 6

NO.146(1991)  
JULY 30, 1991

# George Cross News

*Reliable Reporting*

The next hole 91-73 is 200 meters to the south of 91-71 drilled to test the Nose quartz vein below a surface showing containing abundant visible gold. Hole No. 91-73 also has significant coarse grained visible gold. Eight visitors to the property guessed a 2-meter section of the core from 91-73 could assay from a low of 1.7 a high guess of 6 oz. gold/t. Metallic assays from this core are also expected to be available in a few days. The new intersections are the furthest north to date. The zone is open in both directions along strike and at depth. The deepest holes indicate increasing thickness and grade with depth. One of the best holes drilled in 1990 cut a 75-foot width of 0.3 oz. gold/t.

LOCATION and ACCESS - The main showings on the 6,300-acre property are at 5,000 feet elevation on the shoulder of Mt. Edziza, 3 km west of Nuttlude Lake, 40 km southwest of the village and airstrip of Iskut, 30 km west of the north end of Kinaskan Lake, 30 km west of the Stewart - Cassiar Highway and 15 km north of a new logging road being built to the north from the highway. This logging road could be completed to the property with relative ease along the valley bottom. Access is from the highway by helicopters stationed at Bob Quinn Lake, 80 km to the south. Bob Quinn Lake is the turn off point for the road now under construction south along the Stikine to give access to the Prime/ Stikine/ Placer 21 Zone discoveries at Eskay Creek. (CONTINUED ON PAGE 2).

104G 36

p. 2 of 6

**GEOLOGY** - The gold zones occur within a large 8,000 by 5000-foot coincident alteration zone with a gold and copper soil anomaly. It contains wide zones of silicification and an elongate north-trending monzonite intrusive. Values within the monzonite are in the range of 0.2% copper, 0.02 oz. gold/t. Preliminary work suggests in excess of 50,000,000 tons of this grade available to a very low stripping ratio and open to a quantum increase suggested by limited prospecting and mapping completed to date. The high grade gold mineralization is within structurally controlled zones within intensely silicified and carbonate altered felsic crystal tuffs and lapilli tuffs. There is widespread copper/gold mineralization within the altered felsic volcanics and monzonite. Higher gold values occur in widespread parallel quartz stockwork vein zones varying from a few inches to 70 feet wide. These zones follow a general north-south strike and have been traced and drilled over 3,000 feet along strike, to a depth of 300 feet with a dip of 70° to the west. The veins are thought to run to great depth. Similar gold-bearing quartz veining has been prospected in the nearby valley bottom 1,000 feet lower in elevation.

**OWNERSHIP OPTIONS AND FINANCINGS - Columbia Gold Mines**

holds and option to earn a 100% interest in the Spectrum and Hawk properties. To earn 100% of the Spectrum property Columbia must spend \$1,000,000 by Dec. 31, 1995, which has now been spent, make cash payment totalling \$275,000 and issue 100,000 shares by March 1, 1992. The owners of the Spectrum, Calnor Resources and Northair Mines share equally a 1% to 3% net smelter return royalty which starts after the first 100,000 oz. of gold have been recovered and remains in effect until a total of \$2,000,000 has been paid to them.

Columbia also holds an option to earn 100% of the Hawk property by spending \$1,000,000 on exploration by Dec. 31, 1995, of which \$100,000 has been spent, and by paying \$100,000 in stages by March 1, 1992. The owners of the Hawk claims, Newhawk Gold and Northair, will equally share equally a 1% to 3% net smelter return royalty which starts after the first 100,000 oz. of gold have been recovered and remains in effect until a total of \$2,000,000 has been paid to them. In early June

104G 36

p. 4 of 6

NO. 146 (1991)  
JULY 30, 1991

*George Cross News*  
*"Reliable Reporting"*

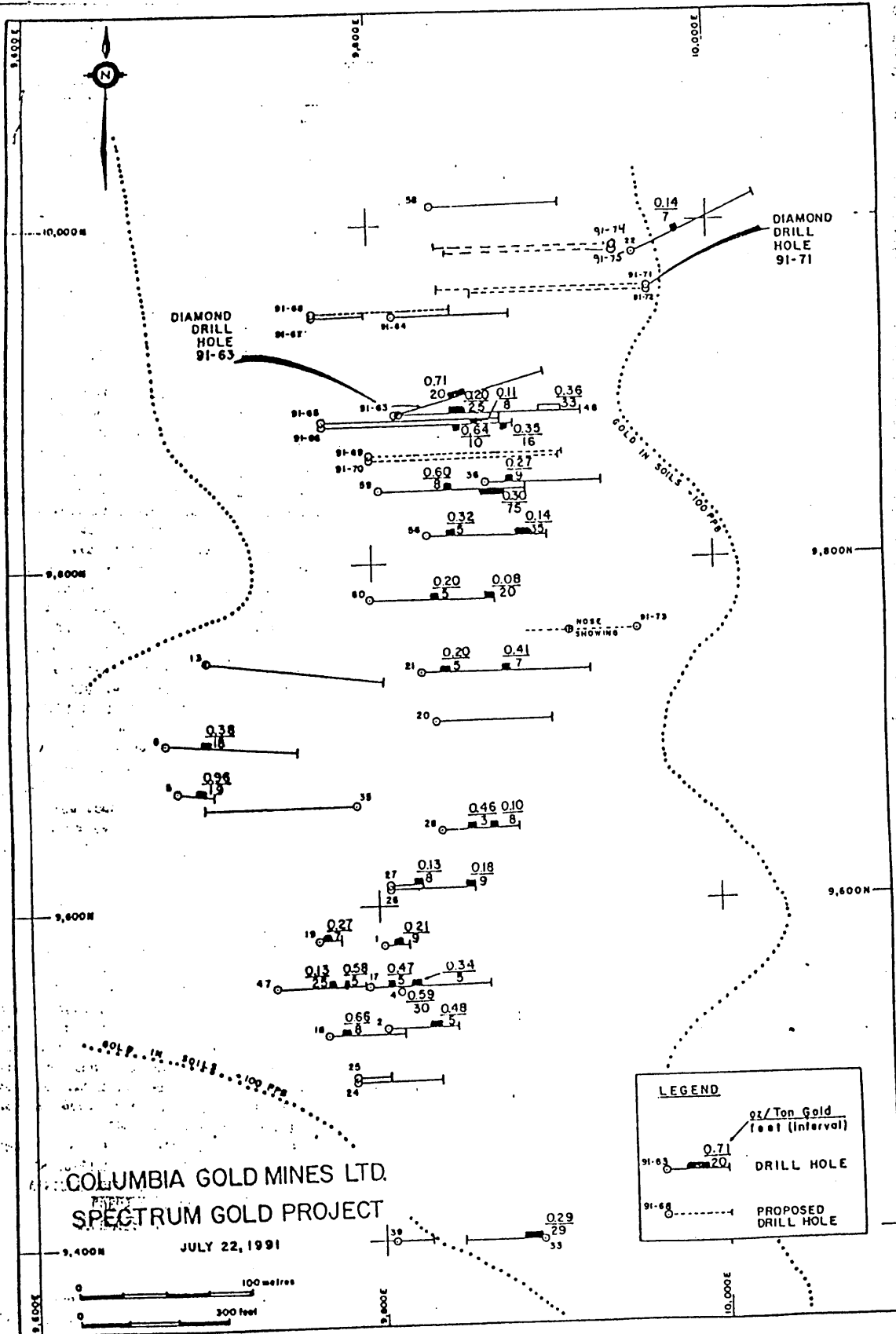
Eurus acquired an option to earn a 50% interest from Columbia by spending \$8,000,000 on exploration by Dec. 31, 1994, including \$1,000,000 in 1991. At the current rate of progress the first phase 1991 drilling of 15,000 feet, costing \$1,000,000, will be completed by the end of August and consideration will be given to a further \$1,000,000 program of an additional 15,000 feet of drilling. Since Eurus currently has in excess of \$1,000,000 in uncommitted working capital and since the gold value being obtained on the Spectrum property are outstanding, a further program will likely be approved.

Eurus and Columbia have granted each other corresponding share purchase options entitling each to buy 1,000,000 shares of the other. Eurus has the option to buy 500,000 shares of Columbia at \$2.00 each in 1992, plus 750,000 shares at \$3.00 each in 1993 or to buy up to 1,000,000 shares at \$4.00 each in 1994. Columbia has the option to buy up to 500,000 shares of Eurus at \$4.00 each in 1992, plus 750,000 shares at \$6.00 each in 1993, or to buy up to 1,000,000 shares at \$8.00 each in 1994.

In the fall of 1990 International Mahogany Corp. bought 2,200,000 units of Columbia Gold at 50¢ each resulting in a change of control. Mahogany also holds warrants to buy a further 2,200,000 shares which when exercised will increase the issued Columbia shares to 11,300,000 fully diluted of which Mahogany could hold 38.9%. Mahogany appoints two of the five member board of directors. On 3May91, Columbia had 873,897 warrants exercised adding \$871,172 to working capital which now stands at about \$1,600,000 and increasing issued shares to 8,727,856. Eurus currently has 4,780,120 shares issued of which Prime Equities holds about 25%. (SEE GCNL No. 140, 22Jul91, P. 1 FOR PREVIOUS DATA)

104G 36

p. 5 of 6



104G 36

p. 6 of 6