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WESTERN CANADIA

GETCHELL RESOURCES INC. (GHS-V)

GALAXY OPTION SIGNED - Gary Belik, president, reports Getchell Resources Inc. has acquired from ABERMIN CORP. (ABM-V,T,M) an option to earn a majority interest in the Galaxy property located near Kamloops, B.C. comprised of 45 two-post claims, four modified claims (18 units) and six Crown grants all totalling 4,200 acres. The ground is bounded on the SE

by the Ajax deposit and lies three km east of the Afton mine. Under the terms, the Galaxy property will be split into two parcels that will be governed by two separate option agreements.

The first agreement will cover a package known as the Galaxy zone where underground exploration and drilling carried out before 1970 outlined at least 3,500,000 tons grading 0.65% copper with significant gold values. Getchell will earn a 100% interest in the mineral rights by completing a minimum 2,000 feet of drilling in 1990 and by making advance royalty payments totalling \$30,000 by 1992. Abermin retains a 3% net smelter royalty. If Getchell, through an arms-length transaction, is reduced to a net profits or net smelter royalty, Abermin will receive the first \$200,000 (less advance NSR payments) and thereafter receive 40% of Getchell's royalty.

The second agreement will cover peripheral ground that comprises the rest of the property. Getchell will earn a 75% interest in the peripheral ground by making payments totalling \$25,000 and spending \$750,000 on exploration by 31Dec94. After Getchell has vested, Abermin may either maintain a 25% working interest or have its share of further expenditures carried by Getchell to a production decision. Abermin's carried costs plus interest at a rate of prime plus 2% will be recovered by Getchell from mining profits.

An initial 2,000-foot drill program will further evaluate the gold potential of the Galaxy zone and test for extensions of the mineralization down dip and along strike, tentatively scheduled to begin in early April. (SEE GCNL No.197, OCT.13/89, P.3 FOR OTHER GETCHELL NEWS)

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