

George Cross

Reliable R

NO.15(1990)
JANUARY 22, 1990

WESTERN CANADIAN

GOLDCAP INC. (GCX-ALBERTA)

Table of East zone assays over 207 feet of strike length:

<u>ZONE</u>	<u>TYPE</u>	<u>WIDTH</u>	<u>GOLD</u>	<u>ZONE</u>	<u>TYPE</u>	<u>WIDTH</u>	<u>GOLD</u>
		<u>FEET</u>	<u>OZ/T</u>			<u>FEET</u>	<u>OZ/T</u>
East	Channel	2.0	0.11	East	Channel	20.7	0.28
"	"	7.1	.27	"	"	17.5	.15
"	"	6.9	.21	"	"	14.1	.46
"	"	9.2	.30	"	"	9.4	.13
"	"	12.5	.32	"	"	5.0	.63
"	"	12.3	.17	"	"	7.2	.90
"	"	7.2	.21	"	"	5.6	.39
"	"	7.1	.05				

Table of drill core assays from the East zone:

<u>HOLE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>GOLD</u>	<u>COPPER</u>
<u>NO.</u>	<u>FEET</u>	<u>FEET</u>	<u>OZ/T</u>	<u>%</u>
87-5	69.9 - 87.9	18.0	0.11	0.04
87-6	98.7 - 116.1	17.4	.28	.16
88-27	107.9 - 111.2	3.2	.75	.14
89-55	228.7 - 232.0	3.3	.39	.42
89-56	67.9 - 71.9	3.9	.26	.05

PROJECT REVIEW - Robin Day, president, reports Goldcap Inc. has received positive results from its 1989 exploration program on the gold/copper Tas property, 140 miles north of Prince George, B.C. Under agreements with NORANDA INC. and BLACK SWAN GOLD MINES LTD. (BSW-V), Goldcap presently owns a 45% working interest in the Tas area (Tas, Ha and Zana claims) covering 25 sq. miles. (SEE MAP OVERLEAF) Exploration expenditures, subject to joint venture terms, are to be funded: Goldcap - 45%, Noranda - 40%, Black Swan - 10% and Tyler - 5%. Goldcap has an option to purchase Tyler's 5%.

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Coincident geophysical and copper/gold soil geochemical anomalies (in two large areas outside the Ridge grid area) coupled with peripheral drilling and trenching indicates zones of porphyry-style copper/gold mineralization warranting further drill testing.

A comprehensive 1990 exploration program, including geophysical and soil geochemical surveys, trenching and diamond drilling, has been recommended for the year-round road-accessible Tas property. Recommendations include a reserve calculation, preliminary metallurgical study of sulphide ore and investigation of costs and benefits of a base line environmental study. The objective is to drill test for porphyry-style copper/gold mineralization, to identify additional additional copper/gold porphyry systems similar to the Mt. Milligan discovery 10 miles to the NE, and to increase reserves in the high grade gold/copper sulphide system, located on the Ridge grid area.

Further significant gold/copper mineralization was identified in last year's work on five known sulphide zones on the Ridge grid area of the Tas claims. The five zones (East, West, Mid, 21 and 19) have potential of becoming mineable ore zones.

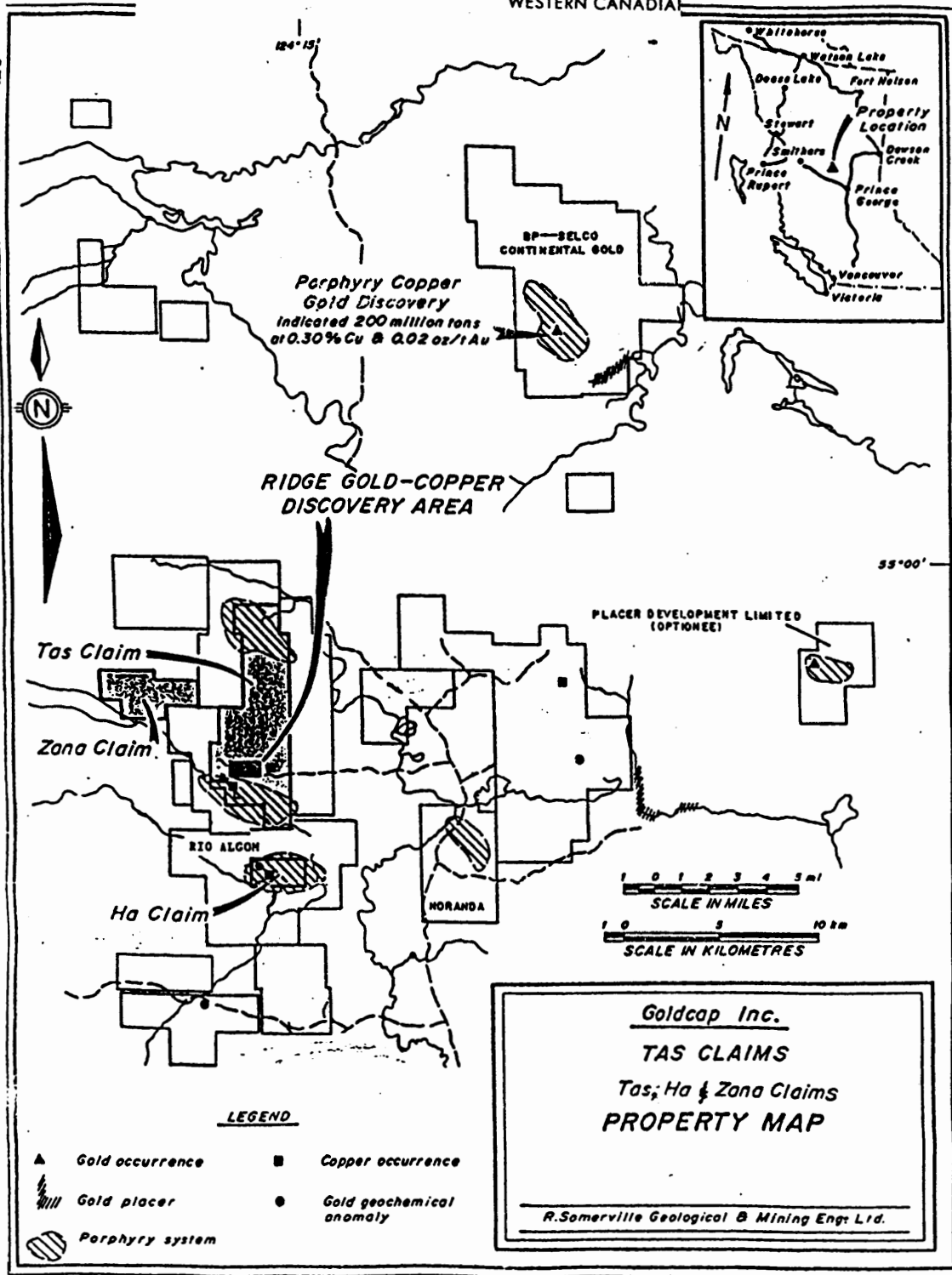
Trenching results along the East zone exemplifies vein-type potential. Detailed channel sampling in the trench defined a weighted average of 0.283 oz.gold/ton across 9.9 feet for a total strike length of 207 feet; see table above. About 440 feet of strike length has been inferred along the mineralized East zone, of which 311 feet has been defined by drilling to a depth of 130 feet and 207 feet by trenching. Geophysical anomalies in the Ridge zone area indicate the possible presence of 11 additional mineralized zones.

Goldcap is continuing discussions with sources interested in funding its portion of future exploration, making application for registration in B.C. and is compiling documentation for a listing on the Vancouver Stock Exchange. Rio Algom recently acquired a large block of claims surrounding Goldcap's Ha claim and adjoining the Tas ground. (SEE GCNL No. 158, 17Aug89, P.1 FOR PREVIOUS RESULTS).

<u>SIX MONTHS ENDED OCT, 31</u>	<u>1989</u>	<u>1988</u>
Loss for period	(\$21,074)	(\$56,584)
Loss Per Share	(1¢)	(2¢)
Cash, end of period	\$70,090	\$50,230

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