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KRL RESOURCES CORP. (KRO-V)

ISKUT RIVER CLAIM DISPUTE - Seamus Young, president, reports KRL Resources Corp. has been notified of a claim dispute relating to 18 recently staked claim blocks comprising 327 units located in the northwest sector of the Iskut River gold camp some 100 miles northwest of Stewart, B.C. The dispute does not involve the company's original holdings in the region, called the GUY 1-4 claims totalling 80 units. KRL arranged the staking of 18 peripheral claim blocks early in Feb/91, which are the ones under dispute as advised 7Mar91 by the B.C. Gold Commissioner.

KRL is currently continuing negotiations for GALICO RESOURCES INC. (GAK-V), a member of the Prime Group of companies, to acquire the GUY 1-4 claims as well as four additional claims staked on behalf of KRL. The GUY 1-4 claims are adjoin to the north the Rock & Roll project of Eurus/Thios Resources where a massive sulphide discovery was recently made called the Black Dog deposit. Should the Gold Commissioner rule in favour of KRL regarding the peripheral claims, KRL is obligated to pay the staker \$10,000 and issue 50,000 shares.

KRL's principal property interests are located eight miles northeast of Stewart, B.C. where it has a 100% interest in the MM project comprising 42 units and two post claims covering about 2,700 acres. Exploration during the 1990 field season located several major structural features with surface rock samples yielding assays up to 1.8 oz.gold/ton and 62.5 oz.silver/ton. Precious and base metal values were recorded for about 1,000 feet along Victoria Creek. Two parallel, anomalous structures have also been identified a few hundred meters away.

Historic records dating 1909 and 1911 on the Tyee zone of the MM property report assays of 4.92 oz.gold/ton and 20.68 oz.silver/ton. A 214-meter tunnel on the property's Main Reef vein is reported to have averaged 0.75 oz.gold/ton. Reports also indicate a seven-ton shipment in 1925 from the Main Reef zone returned 7.0 ounces of gold, 215 ounces of silver, 4,915 pounds of lead and 1,499 pounds of zinc. The 1990 work program included line cutting, VLF-EM and magnetic geophysical surveys, rock and soil geochemical sampling and mapping. This surface exploration identified numerous drill targets along four strong structures that will be tested in the upcoming exploration season. (SEE GCNL No.34, 18Feb91, P.2 FOR PREVIOUS INFORMATION)

104B General