

EASTFIELD RESOURCES LTD. (ETF-V)

SPANISH MOUNTAIN BULK SAMPLING PLANNED - G.L.Garratt,

secretary, reports Eastfield Resources Ltd. has agreed for Renoble Holdings Inc. to resume exploration work at Eastfield's Spanish Mountain gold property located 65 km NE of Williams Lake, B.C. Renoble, a private Vancouver-based company, will undertake bulk sampling and testing expected to lead to a small scale mining operation. Renoble will make certain cash payments to Eastfield and will carry all initial costs of the program which they may recover from operating revenues. Net revenues will be equally divided between Eastfield and Renoble.

The initial focus of the program will be an open-ended resource of about 10,000 tons grading in excess of 1.0 oz. gold/t. Metallurgical test samples have been submitted to a milling facility and results of those tests should be available in three weeks. It is envisioned some on-site recovery will be undertaken ensuring an early cash flow prior to shipping to a custom milling facility.

The potential for high-grade mining on the Spanish Mountain property is considered to be excellent. Exploration in the 1980's centered on developing bulk tonnage low-grade gold-bearing quartz veins were outlined by trenching and drilling. Eastfield and Renoble believe these high-grade vein occurrences offer opportunity for low cost gold recovery. Initial mining will be open cut which will keep operating costs at a minimum. As the project develops, underground mining will proceed once the easily accessible surface material has been mined.

Sampling of broken surface rock indicates additional low cost gold recovery might be obtained by on-site processing of this material. Initial plan design will incorporate this concept, as well as the recovery of coarse "nugget" gold from the high-grade veins. Grades in the first area to be mined run as high as 5.6 oz. gold/t (one-meter drill intercept). Other drill or trench intercepts in this area are: 1.69 oz. gold/t over 4 meters; 1.50 oz. gold/t over 1 meter and 0.63 oz. gold/t over 2 meters. It is also evident, from some drill hole intersections, that adjacent wall rock mineralization may be significant (eg. 0.18 oz. gold/t over 6.0 meters), though this potential will not be realized until the operation is well underway. Eastfield expects the project to start up in early August and the recoveries and mining plans should be evident by early to mid-September.

The company is seeking a joint venture partner for the Spanish Mountain project. Previous exploration was limited to small portions of the property and the strength of the gold-bearing system suggests excellent potential for discovering a large orebody elsewhere on the property.

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