

**CANASIL RESOURCES INC. (CLZ-V)**

**TOODOGGONE OPTION FINALIZED** - Paul Weishaupt, president, reports Canasil Resources has concluded an agreement for United Mineral Services Ltd. to earn 70% in the Brenda property Toodoggone region 200 miles north of Smithers, B.C. United must spend \$1,000,000 on exploration and purchase, by way of a series of private placements, \$100,000 worth of Canasil shares over four years. Upon United exercising its option, Canasil will either grant United an option to earn an additional 30% interest by spending a further \$600,000 by 31DEC97, at which time Canasil's interest would revert to a 10% net proceeds of production, or a joint venture will be formed. United can acquire Canasil's 10% net proceeds of production for \$1,500,000. United is a private company controlled by Robert A. Dickinson.

Canasil has negotiated the first private placement for 100,000 units with each unit comprising one share and one warrant at 25¢ per unit to net the company \$25,000, subject to regulatory approval. One warrant buys one share for one year at 25¢ per share.

The Brenda property consists of 138 units covering 34 square miles of Jock Creek about 25 km northwest of the Kemess deposit. Exploration work at the Brenda property has confirmed the existence of a gold/copper mineralized porphyry system. Previous work by Canasil has identified epithermal gold/silver mineralization in volcanic rock in the western section of the property.

Geochemical and geophysical work in the last two years outlined an area in the centre of the claims with a coincidental gold/silver anomaly 700 by 100 meters. This anomaly had peak gold and silver values of 1,510 parts per billion and 15.4 parts per million respectively. Four holes totalling 370 meters were drilled in 1992 to test this target area, called White Pass East.

HOLE NO.	INTERVAL METERS	LENGTH METERS	GOLD PPB	COPPER PPM
WP92-01	26.5 - 28.5	2.0	419	1070
WP92-02	12.1 - 20.4	9.8	269	1516
	24.5 - 28.5	5.0	10	2542
	38.7 - 41.7	3.0	704	1372
WP92-03	29.0 - 38.6	8.6	912	1651
	56.6 - 66.1	9.5	771	1901
WP92-04	16.4 - 43.0	26.6	915	281

To date, only a small portion of the gold/copper mineralized system has been drill tested.

94E General