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TEUTON RESOURCES CORP. [TUO-V] 7,321,050 SHS. PRIME RESOURCES GROUP INC.

[PRU-V, T] 71,073,913 SHS.

TREATY CREEK EXPLORATION RESULTS - Dino Cremonese, P.Eng., president,

reports Teuton Resources Corp. has received a report from Prime Resources Group Inc. outlining results from the \$300,000 exploration program in 1994 on the Treaty Creek property, located 12 miles east of Prime's Eskay Creek ore deposit north of Stewart, northwest B.C. Prime can earn up to a 60% interest in the Treaty Creek property by spending \$3,600,000 on exploration over six

years. A formal agreement was recently signed by both parties.

The 1994 program included geological mapping, trenching, surface sampling and diamond drilling. Most of the work concentrated on the Eureka zone which was tested by seven diamond drill holes totalling 635 metres. Samples collected from core at the Eureka zone were anomalous but sub-economic in gold. Highest values were obtained in drill hole TC 94-1 which returned 0.76 grams gold/tonne (1.0 g/t = 0.029 oz/t) over the completed hole length of 74.7 metres; sub-intervals within the hole assayed up to 1.96 grams gold/tonne over 4 metres. As a result of poor ground conditions and thick moraine, drilling did not fully test the strike extent of mineralization in the Eureka zone. Drill holes TC 94-2 and 94-3 intersected the main portion of the down dip projection of the highest grade portion of the zone and returned gold values slightly lower than obtained in the trenches on surface. Drill holes TC 94-6 and 94-7 had to be abandoned short of their planned depths due to

poor ground conditions and TC 94-4 was abandoned in moraine.

A single drill hole, TC 94-8, totalling 231.5 metres tested the Orpiment zone and intersected barren silification.

Surface sampling of the Goat Trail Zone identified an area of greater than 1.0 grams gold/tonne mineralization within a sericite/quartz/pyrite alteration zone which measures 750 metres long and 300 metres wide. The report recommends additional work to fully test the gold bearing potential of both the Eureka and Goat Trail zones. (SEE GCNL NO.219, 16Nov94, P.4 FOR OTHER PROJECT INFORMATION)

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