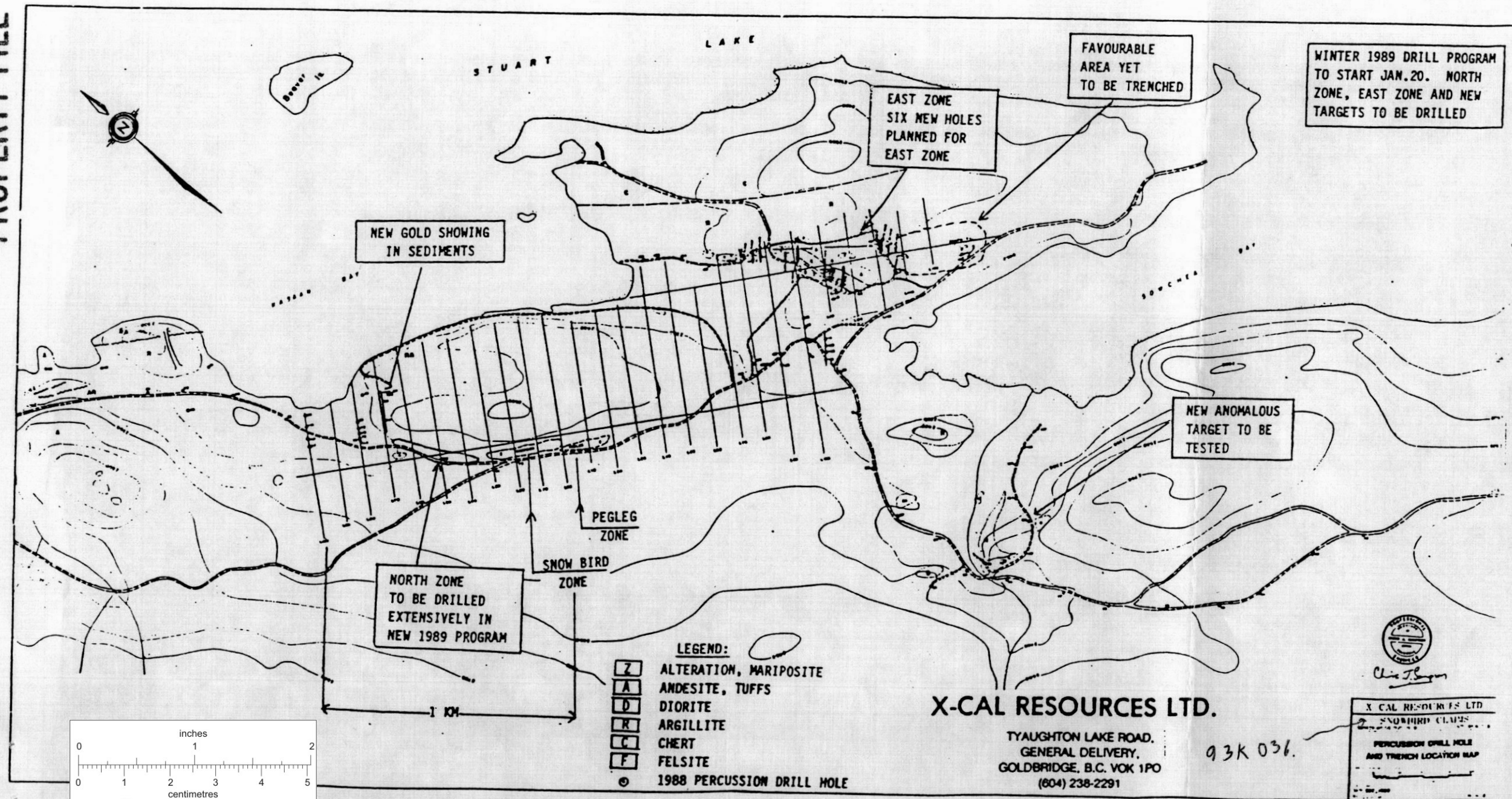


015251

PROPERTY FILE

X-CAL RESOURCES LTD. (XCL-T)
 MAP PRINTED OVERLEAF - The map printed overleaf p.2 shows
 93K 036 the locations of the various gold
 zones being explored by X-Cal Resources Ltd. on its 100%
 owned Snowbird property near Fort St. James, B.C. SEE
 GCNL No.6, Jan.10, 1989 for much detail on the explor-
 ation program planned to start on Jan.20, 1989.



GCAL X-CAL RESOURCES LTD. (XCL-T) #308

NEW GOLD ZONES - X-Cal Resources Ltd. has signed two TO BE TESTED exploration agreements with Canada Tungsten Mining Corporation Limited.

Canada Tungsten can earn 50% of X-Cal's Tyax property in the Bralorne area B.C. by making expenditures of \$1,000,000 over three years. Work is ongoing and is expected to include diamond drilling of the new gold discovery.

OCT 29 1987
Canada Tungsten can also earn 50% of the "South Fork Section" of X-Cal's Anderson Lake project in the same Bralorne area by making expenditures of \$500,000 over the next three years.

93K036
The encouraging gold assay results from the recent overburden drilling program at the Snowbird project near Fort St. James, B.C., are being used to target a winter diamond drilling program.

Results from 57 percussion holes include a five foot sample of bedrock assaying 0.4 oz. gold/t along strike to the north of the main zone. Also, precious metal values are found south of the main zone in what appear to be parallel zones.

* GCNL108 X-CAL RESOURCES LTD. (XCL-T) JUNE 5, 87

93K036 SNOWBIRD DRILL PROGRAM TO RESUME
Nine anomalous targets have been located and have been recommended to be tested by 19 drill holes on the Snowbird property of X-Cal Resources Ltd. located on the west shore of Stuart Lake, 100 miles northwest of Prince George, B.C. The targets were located by recently completed induced polarization, resistivity, horizontal loop E.M., VLF-EM, and magnetic surveys in an area 2 km by 1 km by Geotronics Surveys of Vancouver, B.C.

Shawn Kennedy, president has reported that, starting in July, the 19 exploration holes will be drilled in conjunction with a 15,000-foot reverse circulation drilling program as proposed by Sampson Engineering Ltd. to further outline the Snowbird gold-antimony zone which showed up clearly in the geophysical survey. The reverse circulation program will be followed by an approximate 10,000-foot diamond drilling program.

X-Cal has flow-through funding in place to continue work at the Snowbird. Several major companies have expressed interest in joint venturing the project.

X CAL - TSE REVIEW

SNOWBIRD PROJECT OCT. 1987

X-Cal is busy drilling in Central British Columbia near Ft. St. James where its Snowbird project is showing strong mine-making potential.

Recent diamond drilling and overburden drilling, guided by sophisticated geophysical surveys, has been very encouraging. Ore grade gold values have been encountered along strike from the existing deposit, as well as indications of parallel zones to the main zone accompanied by gold values.

The next phases of diamond drilling will test depth, strike extensions and parallel zones. Drilling is expected to continue throughout the winter.

Development logistics are excellent as the property is 20 minutes from the town of Ft. St. James, is accessible year round, and is close to hydro and serviced roads.

93K036
X-Cal has earned 100% of the property from Pipawa Exploration, a private company controlled by Dr. Joubin, subject to a 3% net smelter return and a commitment to place the property into production.

X-Cal President Shawn Kennedy states: "The quality of this project has yet to be recognized by the investing public. We have very good reason to be encouraged and expect rapid development from this point."

X-CAL RESOURCES LTD.

X-CAL RESOURCES LTD. (XCL-TSE)

PRESS RELEASE - FOR IMMEDIATE RELEASE - OCTOBER 26, 1987

BRALORNE AREA - BRITISH COLUMBIA

SHAWN KENNEDY, PRESIDENT OF X-CAL RESOURCES LTD. IS PLEASED TO REPORT THAT TWO EXPLORATION AGREEMENTS HAVE BEEN COMPLETED AND SIGNED WITH CANADA TUNGSTEN MINING CORPORATION LIMITED.

1. TYAX PROPERTY

CANADA TUNGSTEN CAN EARN 50% OF X-CAL'S TYAX PROPERTY BY MAKING EXPENDITURES OF \$1,000,000 OVER THREE YEARS. WORK TO THE PROPERTY IS ONGOING AND IS EXPECTED TO INCLUDE DIAMOND DRILLING OF THE NEW GOLD BEARING ZONES RECENTLY DISCOVERED AND ANNOUNCED BY X-CAL.

2. ANDERSON LAKE PROJECT

CANADA TUNGSTEN CAN ALSO EARN 50% OF THE "SOUTH FORK SECTION" OF X-CAL'S ANDERSON LAKE PROJECT AREA, BY MAKING EXPENDITURES OF \$500,000 OVER THE NEXT THREE YEARS.

SNOWBIRD PROJECT - FORT ST. JAMES, B. C.

93K036

MR KENNEDY ALSO REPORTS VERY ENCOURAGING GOLD ASSAY RESULTS FROM THE RECENT OVERBURDEN DRILLING PROGRAM AT SNOWBIRD ARE BEING USED TO TARGET A WINTER DIAMOND DRILLING PROGRAM.

FIFTY-SEVEN PERCUSSION HOLES WERE DRILLED THROUGH THE OVERBURDEN ON THE SNOWBIRD PROPERTY, WITH THE OBJECT OF SAMPLING THE AREA JUST ABOVE BEDROCK (BASIL TILL) AND BEDROCK ITSELF.

GOOD INDICATION OF THE PRESENCE OF GOLD INCLUDING A FIVE FOOT SAMPLE OF BEDROCK ASSAYING .4 OZ PER TON GOLD LOCATED ALONG STRIKE TO THE NORTH OF THE MAIN ZONE, AS WELL AS PRECIOUS METAL VALUES TO THE SOUTH OF THE MAIN ZONE AND IN WHAT APPEAR TO BE PARALLEL ZONES HAVE BEEN ENCOUNTERED. THE DIAMOND DRILLING PROGRAM WILL TEST DEPTH IN THE AREA OF THE MAIN ZONE, STRIKE EXTENSIONS AND PARALLEL ZONES.

For further information contact:

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President
X-Cal Resources Ltd.
Gold Bridge, British Columbia
(604) 238-2291

Mr John Arnold
Director
X-Cal Resources Ltd.
Toronto, Ontario
(416) 364-0001

QUARTERLY REPORT

Exploration this past quarter has produced some very encouraging drill results from our Snowbird Gold/Antimony prospect in British Columbia. This project will be the focus of our attention in the foreseeable future. Sufficient funds to carry out exploration throughout 1987 have been negotiated. Diamond drilling is in progress now.

We will also continue exploration activity in the Bralorne Gold Camp in British Columbia. The results of the 1986 programme, which focused on the Anderson Lake and Pilot Properties are to be reviewed by Sampson Engineering Ltd. and 1987 activities for the area proposed.

Additional geophysics was carried out on our 40,000 acre OBA-Kapuskasing project in Ontario by the joint-venture operator, H.S.K. Minerals. The next phase of exploration is under review at this time.

Mr. Paul T. Witzel, B. Math C.A., has been appointed to our board of directors. Mr. Witzel was previously vice-president of Finance for Noramco Capital Corp. and will be replacing T.J. Ian Wright.

In summary, exploration and development has appreciated our holdings over the past quarter and contributed to an optimistic outlook for results from our continuing programmes.

93K036/9

Shawn Kennedy
President

X-Cal Resources Ltd.
Statement of Changes in Cash Resources
For the Nine Months Ended December 31
(unaudited)

<u>Operating Activities</u>	<u>1986</u>	<u>1985</u>
Net Earnings	\$ (3569)	\$ 47,804
Working Capital from Operations	(3569)	47,804
Changes in non-cash working capital	(16,604)	(63,010)
Cash from operations	(20,173)	(15,206)
<u>Financing Activities</u>		
Flow through share subscriptions	456,000	
Issue of common shares for cash	_____	918,950
Cash from financing activities	456,000	918,950
<u>Investment Activities</u>		
Mining property acquisition (disposal)	(10,455)	
Exploration expenditures	479,251	314,596
Administration expenditures	72,775	109,896
Cash used for investment activities	541,571	424,492
Increase (decrease) in cash	(105,744)	479,252
Cash at beginning of period	378,555	6,829
Cash at end of period	\$ <u>272,811</u>	\$ <u>486,081</u>

February 22, 1987

SHAREHOLDERS QUARTERLY REPORT

Exploration programs at Snowbird near Ft. St. James, B. C. and on our large landholdings at Bralorne, B. C. have continued to provide positive encouragement.

At Snowbird, we have just completed drilling 57 overburden holes to test bedrock and top of bedrock in the vicinity of various geophysical anomalies. The result has been to extend the strike length of the main zone a total of at least 900 metres to the north and south of any previous drill intersections. The alteration zone was encountered in 25 of the holes drilled. The drilling also confirmed the presence of other structures exhibiting similar alteration to mineralized main zone. These appear to be separate parallel features, corresponding to our geophysics. The samples which were taken are being assayed now, with the results to be used to target continued diamond drilling at Snowbird.

Trenching has further exposed the Peg Leg vein, which has returned an average gold value of .38 oz per ton gold over 216 ft. length with samples taken across the vein at 3.28 ft. intervals with an average width of 2.5 ft. The Peg Leg is one of a series of veins which make up the main zone, where diamond drilling has returned values such as 13.9 ft grading .27 oz per ton gold and also a spectacular showing of visible gold. We are very optimistic about the mine making potential of this project.

At Bralorne, we have a new discovery on our Tyax property adjoining the Levon/Veronex Congress property. The discovery appears to be significant as it is on the trend of the Congress, where economic gold values are being encountered in underground work. Work is ongoing on the Tyax property.

The Bralorne area is becoming the focus, of intense exploration activity with the announcement of a 6 million dollar exploration budget for the old Bralorne/Pioneer gold mine by Mascot Gold Mines, as well as ongoing exploration by other major companies and several aggressive junior companies. We plan to continue our work here, where we are the largest claim holder, and expect this area to become an ever increasing focal point of gold exploration in British Columbia in the foreseeable future.

We have funding to continue work at Snowbird, Bralorne and to meet our joint venture commitment in Ontario. Results from these programs will be reported as they occur.

Shawn Kennedy
President

93K 036

TSE XCL

July 20/87

FOR IMMEDIATE RELEASE

Results from a trenching and geochemical sampling program at the Snowbird property near Fort St. James, B. C. have confirmed and extended good gold values on the Peg Leg Vein. A new geochemical anomaly which coincides directly with the trend of the main structure as indicated by geophysics was also located. An overburden drilling program consisting of approximately 60 holes will commence this month in order to test the favourable areas outlined by geophysics.

The results from the recent trenching of the Peg Leg Vein are attached. This is one of a set of parallel veins which make up the main zone at Snowbird. Samples are taken across the vein at 1 metre (3.28 ft) intervals over a length of 66 metres (216 ft).

Previous diamond drilling at Snowbird returned some good drill hole intersections such as 13.9 ft of .27 oz per ton gold, with a 10 ft core of .3 oz per ton gold and one very high grade showing of visible gold (248 oz per ton over .5 ft) indicating the potential for high grade shoots.

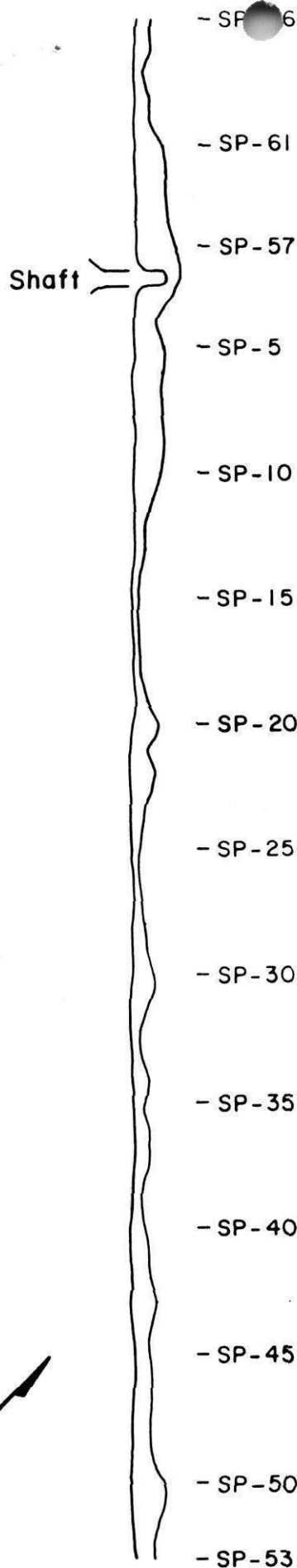
To date the main zone has been shown to be very continuous over a length of 650 metres (2,132 ft).

A detailed geophysical survey has tracked the main zone through overburden for over 2km (6,500 ft), as well as showing eight other structural features which should be tested. The July/August program will test the area just above bedrock as well as the bedrock itself for indication of precious metals and will be followed by further diamond drilling.

Shawn Kennedy,
President

42

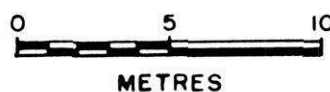
93K036
TABLE OF RESULTS



SAMPLE #	VALUE	WIDTH	SAMPLE #	VALUE	WIDTH
SP-1	0.165	2'	SP-34	0.169	3'
SP-2	0.316	2'	SP-35	0.344	1'
SP-3	0.414	3'	SP-36	0.400	2'
SP-4	0.992	4.5'	SP-37	0.319	2'
SP-5	0.882	3'	SP-38	0.251	1.5'
SP-6	0.257	4'	SP-39	0.204	1.5'
SP-7	0.174	4'	SP-40	0.238	2'
SP-8	0.185	4'	SP-41	0.228	2'
SP-9	0.263	4'	SP-42	0.108	2'
SP-10	1.282	3.5'	SP-43	0.188	3.5'
SP-11	0.275	2'	SP-44	0.642	2'
SP-12	0.439	1.5'	SP-45	0.200	2'
SP-13	0.467	1.5'	SP-46	0.691	2'
SP-14	0.222	1'	SP-47	0.321	2'
SP-15	0.569	1'	SP-48	0.200	2'
SP-16	0.250	0.5'	SP-49	0.145	2.5'
SP-17	0.303	0.5'	SP-50	0.200	5'
SP-18	0.338	0.5'	SP-51	0.636	4'
SP-19	0.365	1.5'	SP-52	0.747	2.5'
SP-20	0.251	4'	SP-53	0.101	2.5'
SP-21	0.260	2'	SP-54	0.128	3'
SP-22	0.598	4'	SP-55	0.263	3'
SP-23	0.416	2'	SP-56	0.109	4'
SP-24	0.286	1.5'	SP-57	0.146	5'
SP-25	0.280	0.5'	SP-58	0.117	6'
SP-26	0.195	1'	SP-59	0.123	5'
SP-27	1.461	1'	SP-60	0.131	4'
SP-28	0.627	2'	SP-61	0.260	4'
SP-29	0.549	2'	SP-62	0.171	2'
SP-30	0.337	3'	SP-63	0.408	2'
SP-31	0.618	2'	SP-64	0.182	1'
SP-32	0.146	1'	SP-65	0.042	2'
SP-33	0.560	1'	SP-66	0.187	2'

NOTE - All samples taken at 1 metre intervals
- All values expressed in oz./ton gold

X-CAL RESOURCES LTD.
SNOWBIRD PROPERTY
Peg-Leg Vein



JULY / 1987

43

N. MINER FEB 21 87.
Correction 82K 93K036(9)

In the Jan 26 issue of The Northern Miner it was incorrectly reported that X-Cal Resources intersected 13.9 ft of 0.027 oz gold per ton on its Snowbird property in B.C. The correct intersection is 13.9 ft of 0.27 oz gold per ton, including a 3.3-ft section of 0.637.

FEB 4/87 **X-CAL RESOURCES LTD. (XCL-T) GCNLT#24**
DELINEATION DRILLING STARTED - Shawn Kennedy, president,
ON B.C. GOLD-ANTIMONY PROPERTY reports that encouraging
93K036(9) drill results have
prompted X-Cal Resources Ltd. to step up the exploration

program on their gold/antimony property on Stuart Lake, some 14 miles west of Fort St. James about 75 miles NW of Prince George, B.C. Two areas of significant gold mineralization were outlined by diamond drilling in December 1986 including a high grade showing of visible native gold.

Delineation diamond drilling will start next week on these 2 areas with 5,400 feet planned for February. A third target to the north, where isolated drill holes also intersected ore grade values, will be further tested during the program. A program of geophysics to be followed by overburden drilling will be instigated at the same time, to further explore the potential for parallel zones and strike extensions of the deposit. Showings of coarse placer gold near the southern part of the property have potential for additional discoveries from overburden drilling.

Mr. Kennedy says the property is well located near existing infrastructure with moderate to flat terrain and road access. It covers 5,500 acres of a major regional structure, with the mineralized outcrop being central to the property.

X-Cal has negotiated sufficient funds to be raised through the sale of flow-through shares to continue exploration throughout 1987.

FOR IMMEDIATE RELEASE

Shawn Kennedy, President of X-Cal Resources Ltd., is pleased to report encouragement from the recent 3,000 foot - 10 hole diamond drilling program on the Company's Snowbird Property in British Columbia's Omenica Mining Division. The program was completed under the direction of Sampson Engineering Ltd. in December.

X-Cal can earn 100% interest in the property which is optioned from Pipawa Resources, a private company controlled by Dr. Franc R. Joubin, subject to a 3% net smelter return payable to Pipawa.

Kennedy reports that the key points which have provided the encouragement are: the deposit has been shown to be open at depth and along the strike and not faulted at depth as previously suspected. One hundred vertical feet of depth and 500 feet of length have been added to the main zone by the recent drilling program, with two areas of significant gold mineralization outlined for further diamond drilling this winter.

Diamond drill hole #X-86-2 intersected 13.9 feet of .27 oz. per ton gold which included a 3.3 foot section of .637 oz. per ton gold. The intersection was located 50 vertical feet below a previous drill hole which intersected 8 feet of .584 oz. per ton gold. Hole #X-86-2 aside from its good grade, shows the deposit widening at that point.

X-Cal drill hole #X-86-6 intersected visible native gold over .5 feet which returned an assay of 248.16 oz. per ton gold and 84.58 oz. per ton silver. The high grade intersection over a narrow width is significant for two reasons. One is that it is located midway in between two good drill holes. These are #P-80-6 (one hundred feet to the north of X-86-6) which intersected 3 feet of .698 oz. per ton gold and X-86-7 located 100 feet along strike to the south which intersected 3.28 feet of .715 oz. per ton gold and 2 feet of .227 oz. per ton gold. The combination of these three holes have shown a new area of gold mineralization near surface and open down dip. The second significance of the high grade intersection is the potential for bonanza gold shoots.

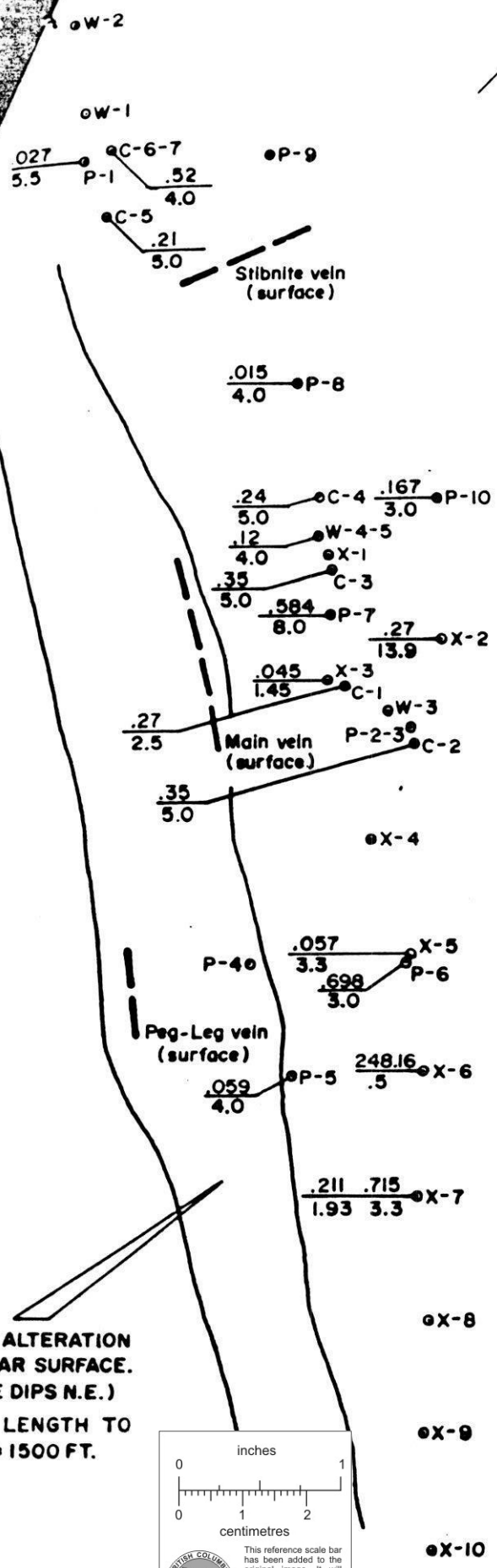
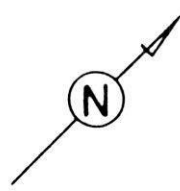
It should be noted that several of the holes drilled prior to the 1986 program did not pass all the way through the alteration zone (i.e. P-80-6) and may have missed values; these will be deepened.

Overburden drilling will also be undertaken in 1987 to target diamond drill holes elsewhere on the property. X-Cal controls approximately 5,500 acres of mineral claims along strike of the Snowbird.

Attached is a sketch showing the gold values from previous drilling and current X-Cal drilling. Near surface results show the deposit to consist of a set of parallel veins set in an alteration zone 20-60 feet wide. No drilling to date has been deeper than 400 feet with the majority of drilling not deeper than 200 feet.

Shawn Kennedy
President

93K036(9).



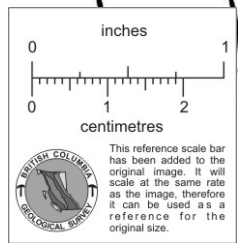
Drill Hole Location And Associated
Intersection Value

C-4 $\frac{0.24}{5.0}$ = Hole No. $\frac{\text{oz./ton Au.}}{\text{footage}}$



93K036(9)

AREA OF ALTERATION
ZONE NEAR SURFACE.
(ZONE DIPS N.E.)
STRIKE LENGTH TO
DATE: 1500 FT.



X-CAL RESOURCES LTD.

SNOWBIRD GROUP

PLAN VIEW

DRILL HOLE SPACINGS

GAL #197

140071986

X-CAL RESOURCES LTD. (XCL-T)

TWO PROGRAMS UNDERWAY - X-Cal Resources Ltd. is planning the next ten days on the Snowbird property in Omenica mining district, B.C. One of the targets will be the high grade Peg Leg Vein where previous sampling reported values of 0.9 oz. gold/ton over a 70 foot length and 2 foot width on surface. The objective is to locate the extensions for diamond drilling. Initial test holes are being diamond drilled on the Anderson Lake (Bralorne/Pioneer extension), B.C. 92519

15 JAN 87

X-CAL RESOURCES LTD. (XCL-T) 6CNL#10

TEN DRILL HOLES - Ten diamond drill holes have been **EXTEND GOLD ZONE** completed on the Snowbird property, 93K036(9) of X-Cal Resources at Stuart Lake, 130 km northwest of Prince George, B.C. The holes have shown the gold zone is open to possible extension along strike and to depth. One hundred vertical feet of depth and 500 feet of length have been added to the main zone by the recent drill program. Two further gold zones have been located for further drilling in the current winter season. Hole No. X-86-2 cut 13.9 ft of 0.27 oz. gold/t including 3.3 ft of 0.637 oz. gold/t and hole X-86-6 cut 0.5 ft. assaying 248.16 oz. gold/t and 84.58 oz. silver/t. The hole No. X-86-2 intersection is 50 ft. vertically below a previous hole which assayed 0.584 oz. gold/t across 8 ft. The No. X-86-6 hole is significant since it is between the No. P-80-6 hole which cut 3 ft. assaying 0.698 oz. gold/t and X-86-7 located 100 feet south along strike which cut 3.28 ft. of 0.715 oz. gold/t and 2 ft. of 0.227 oz. gold/t. The combination of these three holes has shown a new area of gold mineralization near surface and open down dip. These holes show a good potential for the development of bonanza type gold zones on the property. (SEE PROPERTY MAP OVERLEAF FOR HOLE LOCATIONS AND ASSAYS)

The company is planning a program of overburden drilling in 1987 to define diamond drill targets elsewhere on the property. X-Cal can earn a 100% working interest in the property subject to a 3% net smelter return royalty.

X-Cal Resources Ltd. (TSE: XCL) has begun a work program on its gold/antimony Snowbird Property in northern B.C. Work to date has shown the deposit may be open at depth as well as to the north and south. Shawn Kennedy, president of X-Cal, says the two phase diamond drill program will attempt to double the area of the existing deposit and will concentrate in an area where an intersection of 8 feet of .58 oz/t Au was drilled. The property is set in a major regional structure with bulk tonnage potential as well as vein type deposits.

92K036(9)
NW PROSP JAN 1987**X-Cal to drill Snowbird bet**

Dec 8

1986

Mining

A 2-phase diamond drilling program is planned for the Snowbird property in the Omenica mining district of B.C., reports X-Cal Resources President Shawn Kennedy. 93K 036(7E)

The program will attempt to double the area of the existing deposit where at present reserves stand at 5,000 tons of 0.2 oz gold per ton with 3% antimony.

Phase one, consisting of 3,000 ft of diamond drilling, is scheduled for completion before Christmas. Phase two will be done in January, based on positive results from phase one. The first step-out holes to the south will drill beyond the last drill hole intersections of 8 ft of 0.58 oz gold per ton.

Mr Kennedy says drilling and blast trenching will also test to see if the Peg Leg Vein is in fact a parallel structure to the Main Vein rather than a flat lying fault as previously suspected.

At the company's Pilot property in the Bralorne area of B.C., a diamond drill is set to test a target 1.2 miles north of the Pilot mine underground workings. Mr Kennedy says the area to be tested has returned consistent low values in the 0.03 oz gold per ton to 0.09 oz range over 6.5-ft widths, adjoining the large pilot shear zone which can be traced for 1.8 miles through the gold pass section of the property.

The drilling will test the shear itself at this location and drill into the low grade halo which borders it.

Regarding its Anderson Lake property, also in the Bralorne area, Mr Kennedy says data from initial test holes are being interpreted at this time.

Additional geophysics are being conducted on the 40,000-acre gold exploration play in Kapuskasing, Ont., in which X-Cal has a 25% undivided interest. Other partners in the joint venture are HSK Minerals, Central Crude and a private company.

For the six months ended Sept 30, the company reports net earnings of \$25,559 compared to \$35,538 in the same period last year. Cash at the end of the most recent period stood at \$246,317 versus \$731,055 in the end of the year-earlier period.

Mr Kennedy notes that \$250,000 of flow-through funds from M.V.P. Capital Corp is currently being processed.

X-Cal Res. options Snowbird property

The Snowbird property, a gold/antimony former producer near Fort St. James, in the Omineca mining district of B.C., has been optioned by **X-Cal Resources** from Pipawa Explorations. The latter is a private company controlled by Dr Franc R. Joubin.

The property is described in a report by B.C. engineer A. F. Roberts as offering "an excellent opportunity to develop an attractive tonnage of gold/stibnite ore."

X-Cal has agreed to carry out \$320,000 of work on the property over a 5-year period (or less) to earn a 100% interest in the claims, with a 3% net smelter interest to be retained by Pipawa.

X-Cal has added new claims to the group in order to fully cover the possible 3-mile strike length of the main shear zone (as described in Dr Robert's report) and as part of the agreement with Pipawa.

The current Snowbird claim group now consists of 93 units or about 5,500 acres.

Previous work on the property has included trenching and diamond drilling. Some antimony

was also produced during World War II.

At present, reserves are modest at approximately 5,000 tons of quartz ore averaging 0.20 oz of gold per ton and 3% antimony. X-Cal says the full potential of the deposit has not yet been tested and warrants further work.

Additional diamond drilling and surface exploration will be carried out by X-Cal under the direction of Pipawa this year. Work will start once weather improves and approval is given by regulatory authorities

93K/9

93K036

NM April 21/86

PRESS RELEASE - FOR IMMEDIATE RELEASE - FEBRUARY 2, 1987

X-CAL RESOURCES LTD. TO CONTINUE DIAMOND DRILLING AT SNOWBIRD

Encouraging drill results from its Snowbird Gold/Antimony property in central British Columbia have prompted X-Cal to step up its exploration program.

Two areas of significant gold mineralization were outlined by diamond drilling in December 1986, which included a high grade showing of visible native gold. Delineation diamond drilling will begin next week on these two areas with 5,400 feet planned for February. A third target to the north of these two areas, where isolated drill holes also intersected ore grade values, will be further tested during the program.

A program of geophysics to be followed by overburden drilling will be instigated at the same time, to further explore the potential for parallel zones and strike extensions of the deposit.

Showings of coarse placer gold near the southern part of the property have the company encouraged as to the potential for additional discoveries from the overburden drilling.

The property is well located near existing infrastructure with moderate to flat terrain, road access and generally excellent development logistics. It covers 5,500 acres of a major regional structure, with the mineralized outcrop being central to the property.

X-Cal has negotiated sufficient funds to be raised through the sale of flow-through shares to continue exploration throughout 1987.

For further information contact:

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President
(604)238-2291

or

Mr. John Arnold
(416)364-0001

LOG NO:	02.11.87	K1
ACTION:		
FILE NO:	TF	

93K036

PROPERTY FILE

93K026(9)
X-Cal drilling Dec 22 / 86
on Snowbird bet

A 10-hole, 3,000-ft diamond drilling program has been completed on the Snowbird property in the Omineca mining district of B.C. by X-Cal Resources.

The drill program indicates that the Snowbird gold/antimony deposit is open at depth and along strike to the north and south. Current drilling has added 100 vertical ft of depth and 500 ft of strike length to the main vein.

Drill holes were spaced at 100-ft intervals along strike and intersected the mineralized alteration zone in each case.

The drilling has so far shown that the deposit consists of a set of narrow parallel veins set into an alteration zone which varies from 20 to 60 ft in width.

Areas of elevated gold values were discovered in holes 2, 6 and 7 with a high grade zone of visible gold occurring in hole No 6.

The drilling results are currently being reviewed. A detailed report is expected by mid-January.

X-Cal can earn a 100% interest in the property which it has under option from Pipawa Explorations, a private company controlled by Franc R. Joubin.

X-Cal has agreed to carry out \$320,000 of work on the property over a 5-year period (or less) to earn a 100% interest in the claims, with a 3% net smelter interest to be retained by Pipawa.

June 2, 1987

FOR IMMEDIATE RELEASE

934039 (9)

The company is now in receipt of the detailed geophysical report carried out on its Snowbird Property in the Omineca Mining Division of British Columbia by Geotronics Surveys of Vancouver, B.C..

Induced polarization, resistivity, horizontal loop E.M., VLF-EM, and magnetic surveys were carried out over an area approximately 2km. X 1km. within the Snowbird claim group (see attached sketch). Central to the survey area is the Snowbird Gold/Antimony deposit, where diamond drilling by X-Cal Resources Ltd. has indicated excellent potential to develop a sizable tonnage of gold ore.

Geotronics has described nine separate geophysical anomalies and recommended 19 drill holes to intersect and test the new targets. These exploratory holes will be drilled in conjunction with a 15,000 ft. reverse circulation drilling program as proposed by Sampson Engineering Ltd. to further outline the mineralized area. The reverse circulation program will be followed by an approximate 10,000 ft. diamond drilling program.

The main zone showed up very clearly in the geophysical survey. It is apparent that we are dealing with less than 1/2 the strike length of the main zone with the readings continuing to both ends of the survey area open ended. Also apparent from the survey are new targets which, if confirmed by drilling can multiply the tonnage potential of the Snowbird deposit. Of particular interest is anomaly 'B' which parallels the main zone throughout the survey.

The new geophysical data is being reviewed in detail by the company and its consultants at this time.

X-Cal has flow-through funding in place to continue work at the Snowbird. We have also been approached by several major companies who are interested in joint venturing the project. Now that the composite report from Sampson Engineering on the Geology and Geophysics can be completed, we are prepared to deal with these inquiries.

Our next phase of drilling is scheduled for July.

Shawn Kennedy

President

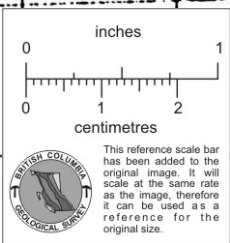
STUART

124° 30'

2230±

LAKE

Denree I. L 2166
Beaver Islands
IR 8



SURVEY AREA

SNOWBIRD 2
SNOWBIRD 3
BORCHEA

SNOWBIRD 4

SNOWBIRD 5

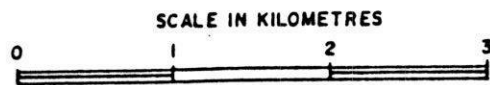
SNOWBIRD 7

SNOWBIRD 6

SNOWBIRD 5

Mount Nislap
4317

54° 25'



GEOTRONICS SURVEYS LTD.					
X-CAL RESOURCES LTD.					
SNOWBIRD PROPERTY					
KASAAN BAY, STUART LAKE, FORT ST. JAMES AREA					
OMINECA MINING DIVISION, B.C.					
CLAIM MAP					
Drawn by:	Date:	Project No.	NTS:	Scale:	Map No.
	APRIL, 1987	07-03	93 K / 7E, NW	1:50,000	2

OSNOWBIRD
93K036(9)

PILOT 92JNE027

CORE

Anderson LK 92JNE027

* X-CAL 92J/9
RESOURCES LTD.
(TSE-XCL)

X-Cal Resource Corp. has completed a 10-hole diamond drill program on its Snowbird property located in the Omineca Mining District of British Columbia.

The property in which the company can earn a 100% working interest is under option from a private company controlled by Dr. Franc Joubin.

Shawn Kennedy, president, says the drill program indicates that the Snowbird gold/antimony deposit is open at depth and along strike to the north and south. Current drilling has added 100 vertical feet of depth and 500 feet of strike length to the main vein. Drill holes were spaced at 100-foot intervals along strike and intersected the mineralized alteration zone in each case.

To date, the drilling has shown that the deposit consists of a set of narrow parallel veins set into an alteration zone which varies from 20 to 60 feet in width.

Areas of elevated gold values were discovered in holes 2, 6 and 7 with high-grade of visible gold occurring in hole No. 6.

The company's geological advisors are currently reviewing these drilling results in light of information from earlier exploration by other companies and expect to provide a detailed report by mid-January with results to be released at that time.

X-Cal is also exploring its Pilot property near Bralorne, British Columbia, where the company is testing a target 1.25 miles north of the Pilot Mine. This area has returned consistent low values in the 0.03 ounces of gold per ton to 0.08 ounces of gold per ton over 6.56-foot widths adjoining the large Pilot shear zone that can be traced for some two miles through the Gold Pass section of the property. Diamond drilling will test the shear zone itself and drill into the low-grade halo bordering the zone.

At X-Cal's Anderson Lake property, also near Bralorne, British Columbia, good access to the claim group was accomplished in 1986 and initial test holes placed in three locations. Some precious metal values have been encountered and are being interpreted with other data to determine the next phase of exploration.

The company has a 25% undivided interest as well in a 40,000 acre gold exploration play in northern Ontario with H.S.K. Minerals, Central Crude and a private company. Kennedy says the ground covers a significant portion of the conductors outlined in a recently released government geophysical survey. Additional geophysics are being conducted by the joint venture partners.

Contact:

Mr. Shawn Kennedy, President
X-Cal Resources Ltd.
Tyaughton Lake Rd.
General delivery, Goldbridge
BC Canada V0K 1P0
604-238-2291

JAN 1987

* Win, Jan 87
X-CAL 934036
RESOURCES LTD.
(TSE-XCL)

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Contact:

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X-Cal Resources Ltd.
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BC Canada V0K 1P0
604-238-2291

The Company has continued active precious metals exploration throughout the quarter. A private placement of \$96,000 for flow through shares by Midland Doherty of Toronto contributed to a productive quarter. An additional \$250,000 of flow through funds from M.V.P. Capital Corp. (currently being processed) should help to make the present quarter very busy also.

93K036

Snowbird - Gold/Antimony Omineca District, British Columbia

This property is the present focus of our exploration. The current work by Sampson Engineering Ltd. has shown that the deposit may be open at depth as well as to the north and south.

A two phase diamond drilling program will attempt to double the area of the existing deposit. Phase I consisting of 3000 feet of diamond drilling is scheduled for completion before Christmas. Phase II diamond drilling to be carried out in January, based on positive results from Phase I. The first step out holes to the south will drill beyond the last drill hole intersection of 8 feet of .58 oz per ton gold.

Drilling and blast trenching will also test to see if the high grade Peg Leg Vein is in fact a parallel structure to the Main Vein rather than a flat lying fault as previously suspected. The Peg Leg Vein returned an average grade of +.9 oz per ton gold over a 70 foot length and 2 foot width. Previous drilling did not pass far enough beyond the main vein to intersect this possible parallel structure.

At present reserves are 5,000 tons of .2 oz per ton gold with 3% antimony. The property is set in a major regional structure and is believed to have potential for bulk tonnage in addition to the vein type deposit.

Pilot Property, Bralorne Area, B.C.

A diamond drill has been moved onto the Pilot Property to test a target 2km north of the Pilot Mine Underground Workings. The area to be tested has returned consistent low values in the .03 oz per ton gold to .09 oz per ton gold over 2 metre widths, adjoining the large Pilot Shear Zone which can be tracked for 3km through the Gold Pass Section of the Property. The drilling will test the shear itself at this location and drill into the low grade halo which borders it. Encouraging results will be followed by step out holes along the well defined structure.

Anderson Lake, Bralorne Area, B.C.

The Property has been well accessed this year and initial test holes placed in three locations. Some precious metals values have been encountered and are being interpreted at this time, along with other data, to determine the next phase of exploration.

OBA/Kapuskasing Joint Venture Project - Ontario

X-Cal has 25% undivided interest in a 40,000 acre gold exploration play with H.S.K. Minerals, Central Crude and a private company. The area is part of a larger regional play put together by a well known prospector. The joint venture's ground covers a significant portion of the conductors outlined in a recently released government geophysical survey. Additional geophysics are being conducted by the joint venture. The area promises to be an active one.

Shawn Kennedy
President



X-CAL RESOURCES LTD.
(unaudited)
STATEMENT OF CHANGES IN CASH RESOURCES
For the six months ended September 30, 1986

	<u>1986</u>	<u>1985</u>
OPERATING ACTIVITIES		
Net earnings	\$ 25,559	\$ 35,538
Working capital from operations	25,559	35,538
Changes in non-cash working capital	<u>(9,300)</u>	<u>(9,095)</u>
Cash from operations	<u>16,259</u>	<u>26,443</u>
FINANCING ACTIVITIES		
Flow through share subscriptions for which funds have been expended on Canadian exploration expenditures	<u>117,886</u>	<u>918,950</u>
Cash from financing activities	<u>117,886</u>	<u>918,950</u>
INVESTMENT ACTIVITIES		
Mining properties, exploration and related expenditures	<u>266,383</u>	<u>221,167</u>
Cash used for investment activities	<u>266,383</u>	<u>221,167</u>
Increase (decrease) in cash	(132,238)	724,226
Cash at beginning of period	<u>378,555</u>	<u>6,829</u>
Cash at end of period	<u>\$ 246,317</u>	<u>\$ 731,055</u>

On behalf of the Board: "Shawn Kennedy"

"John M. Arnold"

November 17, 1986

Statement of Earnings & Deficit
For the six months ended September 30, 1986

	<u>1986</u>	<u>1985</u>
Income		
Option fee	\$	\$ 30,000
Interest	11,622	5,537
Gain on disposal of claims	<u>18,000</u>	
	29,622	<u>35,537</u>
Expenses		
Exploration and development costs		
written off	36,265	
Financing costs	<u>4,063</u>	
	40,328	
Net earnings (loss) for the period	<u>(10,706)</u>	<u>35,537</u>
Deficit beginning of period	231,950	17,799
Share issue costs		213,050
Deficit end of period	<u>\$ 242,656</u>	<u>\$ 195,312</u>

Schedule of Exploration and Development Costs
For the six months ended September 30, 1986

	<u>1986</u>	<u>1985</u>
Current costs		
Exploration	\$ 106,419	\$ 76,571
Labour	55,246	40,534
Assaying	5,444	31,052
Consulting	<u>2,252</u>	<u>9,532</u>
	169,361	157,489
Deferred costs beginning of period	491,890	181,185
Deduct costs on interests abandoned/sold	<u>(5,843)</u>	
Deferred costs end of period	<u>\$ 655,414</u>	<u>\$ 338,674</u>

Schedule of Administration Costs
For the six months ended September 30, 1986

	<u>1986</u>	<u>1985</u>
Current costs		
Administration	\$ 43,066	\$ 32,425
Legal, accounting & transfer agent	23,470	9,781
Printing and advertising	13,216	9,207
Sundry	<u>2,428</u>	<u>5,084</u>
	82,180	56,503
Deferred costs beginning of period	326,769	154,423
Deduct costs on interests abandoned/sold	<u>(5,122)</u>	
Deferred costs end of period	<u>\$ 403,827</u>	<u>\$ 210,926</u>

FOR IMMEDIATE RELEASESNOWBIRD

The Company is pleased to announce that the fall program on the Snowbird Property is in progress now, in the Omenica Mining District of British Columbia. Trenching of eight targets is planned over the next ten days, in an effort to better define targets for diamond drilling. One of the targets of the program will be the high grade "Peg Leg Vein" where previous sampling reported values of .9 oz per ton gold over a 70 foot length and 2 foot width on surface. Trenching at right angles to the vein will attempt to determine if it is part of a flat lying fault, which may have offset the existing Snowbird deposit. The existing deposit consisting of 5,000 tons of .2 oz per ton gold with 3% antimony is believed to have been drag faulted. The object of the current program is to locate the extensions for diamond drilling.

ANDERSON LAKE (BRALORNE/PIONEER EXTENTION)

Initial test holes are being diamond drilled on the property now.

PILOT PROJECT (BRALORNE AREA)

Drilling is expected to commence on this project within two weeks.

PROPERTY FILE

Shawn Kennedy
President

93K036 (7E)

N. MINER
20 OCT 1986

X-Cal trenching on Snowbird bet

A fall program is under way at the Snowbird property in the Omineca mining district of B.C., reports X-Cal Resources President Shawn Kennedy.

Trenching of eight targets is planned in an effort to better define targets for diamond drilling. One of the targets will be the Peg Leg vein where previous sampling reported gold values.

Mr Kennedy says trenching at right angles to the vein will attempt to determine if it is part of a flat-lying fault which may have offset the existing Snowbird deposit where reserves at present stand at 5,000 tons of 0.2 oz gold per ton with 3% antimony.

The president says the diamond drilling program on the Anderson Lake property in the Bralorne area of B.C. has started while drilling is expected to start on the Pilot project in the same area shortly.

Drilling this month planned by X-Cal

A follow-up diamond drill program is scheduled to start this month on X-Cal Resources' Snowbird gold property in central B.C. The 5,400-ft drill program was prompted by encouraging results derived from drilling completed in December, 1986. That work yielded several high grade sections with visible gold.

X-Cal also plans to conduct geophysical surveys and overburden drilling at the same time. This work will examine other zones parallel to the discovery zone. The overburden drilling program is warranted as a result of showings of coarse placer gold in the southern section of the property, X-Cal says.

Exploration work planned for this year will be funded by cash raised from flow-through share financings, already negotiated by the company.

Drilling completed last December indicated several high grade sections with visible gold. X-Cal can earn a 100% interest in the property, which is optioned from Pipawa Resources, a private firm controlled by Dr Franc Joubin, subject to a 3% net smelter return payable to Pipawa.

X-Cal Res. is encouraged by Snowbird drill results

Encouraging intersections have been returned from drilling on the Snowbird property of X-Cal Resources in British Columbia's Omineca mining division, the company reports.

President Shawn Kennedy says in a recent 3,000-ft drill program on the property, hole No X-86-2 intersected 13.9 ft at 0.027 oz gold per ton, including a 3.3-ft section of 0.637 oz.

Mr Kennedy said the intersection was located 50 vertical feet below a previous drill hole which intersected 8 ft of 0.584 oz.

He said another hole, X-86-6 intersected visible native gold over 0.5 ft which returned an assay of 248.16 oz gold, and 84.58 oz silver.

The high grade intersection over a narrow width is significant for two reasons, the president said, one of which is that it is located midway between two good drill holes,

P-80-6, (100 ft to the north of hole X-86-6), which intersected 3 ft of 0.698 oz, and X-86-7, located 100 ft along strike to the south, which intersected 3.28 ft of 0.715 oz and 2 ft of 0.227 oz.

The drill program was completed under the direction of Sampson Engineering, in December.

X-Cal can earn a 100% interest in the property, which is optioned from Pipawa Resources, a private company controlled by Dr Franc Joubin, subject to a 3% net smelter return payable to Pipawa.

Mr Kennedy says several holes drilled prior to the 1986 program did not pass all the way through the alteration zone, and may have missed values. These will be deepened, and as well the company will undertake overburden drilling this year to target drill holes elsewhere on the property.

GCLN 47 X-CAL RESOURCES LTD. (XCL-T) 9 Mar 87

SECOND DRILL BEING ADDED TO - X-Cal Resources Ltd. has stepped up the diamond drilling of its Snowbird gold/antimony property on Stuart Lake in central B.C.'s

Omineca district with the addition of a second diamond drill. A detailed geophysical survey is also being carried out. It has extended both lateral extensions of the Main zone by several hundred feet and has also revealed a parallel anomalous zone with a strike length

exceeding 1000 feet, located some 600 feet east of the Main zone. The location coincides with an overburden filled draw in which anomalous geochemical values for antimony and mercury occur. A diamond drill test of this anomaly is planned within the next two weeks.

The geophysical survey is being extended to other parts of the 5,500-acre Snowbird Property. Overburden drilling is planned for initial testing of other targets along the large regional structure which the survey may reveal.

Rehabilitation of the 100-foot shaft sunk in the 1940's is contemplated. This would permit limited drifting and bulk sampling of the gold/antimony mineralization known to be present at the shaft bottom.

X-Cal steps up drill program

A second diamond drill has allowed X-Cal Resources to step up drilling on its Snowbird gold-antimony property in central British Columbia's Omineca district.

A detailed geophysical survey now in progress, which has extended the lateral extensions of the main zone currently being drilled, has revealed a parallel anomalous zone with a strike length exceeding 1,000 ft, located approximately 600 ft to the east of the main zone.

The parallel zone's position coincides with an overburden-filled draw in which anomalous geochemical values for antimony and mercury occur.

The geophysical survey is being extended to other parts of the 5,500-acre Snowbird property. Planned by X-Cal is a program of overburden drilling for initial testing of other targets, along the large regional structure which may be revealed by the survey.

According to President Shawn Kennedy, recent drilling has prompted X-Cal to secure estimates of the cost involved in rehabilitating a 100-ft shaft sunk on the property in the 1940s. The rehabilitation would permit limited drifting and bulk sampling of the known gold-antimony mineralization at the bottom of the shaft.

Drilling completed last December indicated several high grade sections with visible gold.

X-Cal can earn a 100% interest in the property, which is optioned from Pipawa Resources, a private firm controlled by Dr Franc Joubin, subject to a 3% net smelter return payable to Pipawa.

drilling from the surface. These drill holes have extended the zone of mineralization some 150 ft. to the east with diamond drill hole No. 81-10 which gave the following results.

Hole No.	Intersection	Footage	Silver Oz./Ton	Lead %	Zinc %
Vera 81-1	322 to 345 ft.	23 feet	25.0	6.02	17.85

The East Vera is now 600 feet long and open to the east where the most recent drill holes have intersected good looking mineralization which will likely add further to the length and drill indicated tonnage. Current indications are that the East Vera drill indicated reserves will substantially exceed those of the West Vera by the end of the 1981 season's drill program.

In the 1980 season the Siltstone surface showing of silver-lead-zinc was discovered, 2 miles SW of the Vera zone. Surface samples assayed 87 oz. silver per ton plus 70% lead. Three diamond drill holes from surface have been drilled in the past few weeks. They are over a strike length of 165 ft. and assayed as follows:

Hole No.	Intersection	Footage	Silver Oz./Ton	Lead %	Zinc %
Siltstone 81-3	157 to 162 ft.	5.0 ft.	53.40	43.80	14.40
81-4	252.5 to 258.0 ft.	5.5 ft.	75.30	60.00	3.07
81-6	164.5 to 213.0 ft.	48.5 ft.	8.96	6.77	2.73

Prism Resources has a 10% carried interest in the Yukon Joint Venture and is contributing 20.94% of the costs to the working interest to hold a total of 30.24% revenue interest in the project. The other working interest partners in the Joint Venture are: Asamera Inc. 19.77%; Chieftain Minerals Ltd. 39.530%; and E & B Explorations Ltd. 19.77% → 920/SW

921/2 The company has a 100% interest in exploration programs on 4 properties in B.C. as follows: Tyon prospect near Lillooet, B.C., follow-up prospecting, mapping & sampling on a large copper, molybdenum, gold soil sample anomaly; Jack prospect near Taseko Lakes, B.C., follow-up work on unusually high gold samples assaying 0.23 oz. per ton in stream sediment samples; Chris prospect, near Terrace, B.C., is to be diamond drill tested as a follow-up on surface sampling over an 800 foot length, four samples averaged 0.62 oz. gold and 4.5 oz. silver across 2 feet; Snowbird prospect, 20 miles north of Fort St. James, B.C., where 17 diamond drill holes are planned in the area of a 1980 drill hole which returned 0.539 oz. gold per ton across 8 feet and 0.3K0.535 oz. gold per ton across 4 feet.

93K036 In the oil and gas industry the company has participated in some dry wells in South Dakota and has been fortunate to acquire a 0.5% net revenue interest in a 243,000-acre lease in the Bay of Biscay off Spain where two 10,000-foot plus wells are planned to test targets with very large reserve potentials. Present indications are that the first of these wells could be spudded in 1981.

X-CAL RESOURCES LTD.

NEW GOLD ANTIMONY PROJECT ENTERED

93K19 - 93K7E
93K036

X-Cal Resources Ltd. has optioned the formerly gold antimony producing, Snowbird property located on the west side of Stewart Lake, 12 miles north of Fort St. James, 150 miles north west of Prince George, B.C. The option is from Pipawa Explorations Ltd. (a private company controlled by Dr. Franc R. Joubin). X-Cal has agreed to carry out \$320,000 of work to the property over a period of 5 years to earn 100% interest with a 3% net smelter interest to be retained by Pipawa. New

OLD DRILL HOLE RESULTS:

HOLE NO.	INTERSECTION	OZ. GOLD/T	ANTIMONY%
1	7.4 Ft.	0.13	2.4
2	5.0	0.35	-
3	5.0	0.35	0.4
4	5.0	0.24	0.4 to 0.8
5	5.0	0.21	-
7	4.0	0.52	-

TRENCHING:

LENGTH	AV. WIDTH	OZ. GOLD/T	ANTIMONY%
210 Ft.	3.3 Ft.	0.12	6.3
-	4.0	0.52	-
70	2.15	0.95	-

claims have been added to cover the possible three mile strike length of the Main Shear zone. The current Snowbird Group consists of 93 units approximately 5,500 acres. Currently reserves are approximately 5,000 tons averaging 0.20 oz. gold/t, 3% antimony. There is a possibility of a large tonnage of lower grade ore. Additional diamond drilling and surface exploration will be carried out by X-Cal under the direction of Pipawa during the 1986 season. Work will commence when weather permits and regulatory approvals are obtained.

GCNL #59 26 MARCH 81 PRISM RESOURCES LIMITED

PROGRAMS PLANNED ON FIVE HARD ROCK
AND TWO OIL AND GAS PROJECTS IN 1981

- Prism Resources Limited's primary activity is acquiring and developing mineral properties containing silver, lead, zinc, copper, molybdenum and gold. Prism is also participating in two oil and natural gas prospects and intends to increase its activity in these areas. The company's principal project is the Prism Joint Venture located at Kathleen Lake, 70 miles NE of Mayo in the Yukon Territory. To date, approximately \$2.8 million has been spent on this project, resulting in drill indicated reserves of 864,000 tonnes (metric tons) grading 9 oz. silver per tonne and 3% combined lead-zinc in the Vera zone.

An underground exploration and development program is planned for 1981. The 3,000 feet of underground work will be on the Vera zone to confirm grade and tonnage and provide a bulk sample for metallurgical testing. In addition, more surface drilling will be carried out on this zone as well as the newly discovered Siltstone showing.

The Siltstone showing, approximately 3 miles from the Vera, returned assays of 70% lead and 87 ounces silver per ton across a width of over 10 feet. Drilling will test the length and depth extensions of the showing. Also in the area is the Val South Hill zone containing a possible 300,000 tons of 4 ounces silver per ton and the Quartzite showing which is still to be tested by drilling.

The total 1981 budget for the Yukon Joint Venture is \$2 million. Prism has a 10% carried interest and will contribute 20.94% of costs to have a revenue interest of 30.24%. Asmera Inc., Chieftain Minerals Ltd., and E & B Explorations Ltd., will fund the rest of the program.

Prism management believes that this year's work will prove up sufficient tonnage to warrant a full economic feasibility study on the Joint Venture's mineral claims and that a significant silver producer will result.

A comprehensive regional exploration program in southwestern B.C., completed in 1980, resulted in four encouraging prospects being acquired. The 300 claims (15,000 acres) comprising these showings cover: two gold prospects; one copper, gold, molybdenum prospect; and one copper prospect. Follow up work and budgets are presently being formulated for the 1981 season.

103I/BW The Chris gold prospect, 20 miles from Terrace in west central B.C., was acquired through staking. Four surface samples of the vein averaged 0.62 oz. gold per ton over an average width of 2 feet along a strike length of 820 feet. Drilling is planned to test this prospect in 1981. 73K17E The Snowbird gold prospect, optioned by Prism, was drilled in 1980. Of ten holes completed, five were in the central and south part of the main vein. Three holes contained the following intersections: 0.167 oz. gold/ton across 3 feet, 0.539 oz. gold/ton across 8 feet including 0.885 oz. gold/ton over 4 feet, and 0.698 oz gold/ton across 3 feet in the southernmost hole. In 1981 Prism intends to drill 17 holes totalling 3,900 feet on a regular pattern in this area.

103P/11W The Big Bulk prospect exhibited copper, gold values in six of fourteen chip samples. Exploration plans are presently being formulated.

Prism participated in two oil and gas prospects in 1980.

In South Dakota, Prism has a 12.5% working interest in a 3,000-acre shallow gas play. Eight wells have been drilled on a tight hole basis. Results are considered encouraging and are expected to be available in a few months. By participating in an additional 7 wells Prism will earn 12.5% working interest in an additional 50,000 acres.

In Colorado, Prism participated in a 19,000-acre oil and gas play. The well proved to be uneconomic but results were encouraging enough to warrant geophysical work and possibly drilling another well.

The outlook for 1981 is very strong with new important results anticipated from several of the programs planned and from one or more of the new projects constantly being sought by the firm.

2

GCL #133 10-07-80

PRISM RESOURCES LIMITED

GOLD, GAS, SILVER, MOLY, - An aggressive program of grassroots exploration, property examinations and acquisitions has resulted in work being carried out or planned on five projects in which Prism Resources Limited have an interest says president Angus L.J. MacDonald.

Subject to regulatory approval, Prism have acquired through E&B Oil & Gas Ltd. a 12.5% gross and 10% net interest in 25,000 acres in Hakkon, Mellette, Pennington and Stanley counties, South Dakota. Prism have committed to participating in 8 wells to earn the above interest. Participation in drilling 7 more wells will earn 10% net interest in 88,000 more acres. The play is in an area of numerous gas shows in shallow wells put down by farm owners. Prism's share of the cost of the initial 8 wells is estimated at \$135,000 U.S. In addition, Prism have 25% working interest (20% net) in a further 12,000 acres in the same area.

Drilling has resumed on the joint venture silver-lead-zinc program in the Kathleen Lakes area, Yukon. Budget for the season is \$1,200,000. Prism acts as manager and holds 25%, with Asamera Oil Corporation Ltd. 12.5%, Chieftain Minerals Ltd. 25%, Dome Petroleum Ltd. 25% and E&B Explorations Ltd. 12.5% holding the remainder. By 30 June, 13 diamond drill holes had been completed this season. Results of assays of mineralized sections of the first holes are awaited.

Surveying and geological mapping have been completed on the optioned Snowbird gold prospect in the Stuart Lake area of north central B.C. Drilling is planned to start on the property in late August. The best intersection in previous drilling on the property is reported to be 4 feet of 0.52 oz. gold/ton.

Work on the recently optioned Elizabeth gold prospect in the Yalakom area, Bridge River district, B.C. has commenced. A program of sampling and geological mapping will precede a decision on drilling or underground work.

Mapping and sampling will be done on 3 porphyry prospects in the Terrace area of B.C. The Pitman and Half Vast molybdenum prospects and the Big Bulk copper prospect were acquired in 1979 through a regional exploration program funded by Prism.

As a result of a 1980 geochemical survey conducted by Prism and supplemented by geochemical data released by the B.C. Dept. of Mines, Prism Resources have staked approximately 300 claim units covering gold-copper anomalies in the Taseko Lakes area of B.C. This preliminary exploration program will be continued.

Mr. MacDonald says results of work on all these projects will be released as they become available.

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PRISM RESOURCES LTD.

DIAMOND DRILL PROGRAMS ON TWO PROPERTIES EXTEND - Silver, lead and zinc values encountered in the diamond drilling program SILVER VALUES ON ONE AND GOLD VALUES ON THE SECOND in the 1980 field season on the Yukon

Hole No.	Interval From To	Footage	Lead %	Zinc %	Silver Oz/Ton
80-24	257-271 ft.	14 ft.	4.75	9.00	36.04
80-27	136-143	7	6.02	6.95	7.65
80-28	177-195	18	4.38	1.99	8.44
80-30	334-346	12	3.92	4.02	9.18
80-31	271-286	14	0.14	2.22	2.06
80-34	318-348	30	0.77	0.43	14.86
80-35	348-369	21	1.48	0.95	25.10
80-36	392-416	24	1.49	2.07	12.52
80-37	285-305	20	1.32	2.45	8.27
	332-349	17	0.72	2.82	13.32
80-39	385-391	6	0.69	0.61	5.49
80-40	410-420	10	3.36	1.29	2.63
80-41	332-340	8	0.39	1.08	15.00
80-42	489-493	4	0.21	0.10	5.47

Kathleen Lakes properties confirmed previous surface and drill indicated values, extended the area of known good grade mineralization, suggested a location for an underground program and resulted in recommendations for further drilling of the open extensions of the mineral. The assay results from the drilling of the Vera zone are given in the adjoining table. They are considered extremely encouraging. The Vera zone is in two shoots over a length of 1,500 feet which have been drill tested to a depth of 300 feet.

A new discovery was made during the season on the Kathleen Lakes property, 70 miles northeast of Mayo, Yukon. The new showing is called the Siltstone showing and is located 4 miles to the southeast of the Vera.

A trench on the Siltstone yielded a ten-foot channel sample of 70% lead, 87 ounces of silver per ton.

Hole No.	Interval From To	Footage	Gold Oz/Ton
6	135-138 ft.	3 feet	0.698
7	131-139	8	0.539
10	280-283	3	0.167

In central B.C., the company holds an option to earn an 80% interest in the Snowbird gold prospect. The limited diamond drilling program in the 1980 season confirmed earlier property results, extended the known mineralization and established further extension possibilities which are classed as priority drilling targets for next season. Drilling on the property in 1942 by a major company indicated a zone roughly 250 feet long, 4.4 feet wide and grading 0.30 oz. gold per ton. The assay results from the significant drill intersections are shown in the adjoining table.