

# High Grade Gold - Golden Bear

## 'Open Pit Deposit Being Proven'

A \$3.3 million work program currently underway at the Golden Bear Project near Dease Lake in northwestern British Columbia - the province's largest and possibly most ambitious exploration and development program - is not only progressing "smoothly and on schedule", but has been consistently reporting higher than anticipated widths and gold values.

The Golden Bear Project is being operated by North American Metals Corp. who will earn a 50% working interest in Chevron Minerals's largest Canadian gold asset by investing \$9 million in its further development. The Golden Bear property, which has been geologically compared to the world class Comstock Lode deposit, is expected to become one of Western Canada's largest and longest life gold mines.

The project's current probable and inferred ore reserves total 1,900,000 tons averaging 0.27 ounces gold per ton. Exploration and development work is being focused on the Bear Deposit which, with 1,253,000 tons of diluted, probable ore reserves grading 0.31 ounces gold per ton, has immediate potential for production. A further two gold zones named the Fleece and Totem have been located by drilling nearby within the large Golden Bear Property.

In early October the company reported assay results from the first underground crosscut and the first surface diamond drill hole completed on the property. These results - which got things off to a spectacular start - were 25 ft. of 0.54 oz./ton gold and 35 feet of 0.93 oz./ton gold respectively. A few days later the company announced additional results including: 30 feet of 1.27 oz./ton gold from an underground crosscut and 37 feet of 1.07 oz./ton gold from a surface hole. The holes and crosscuts reported intersected the Bear Zone over a strike length of 900 feet.

More recently, additional excellent gold values were reported which included Hole 29: an 8 ft. section grading 1.84 oz./ton gold. An additional underground cross-cut through the Bear Zone assayed 0.61 oz./ton gold over a 20 ft. width.

According to North American, the program - consisting of 2800 feet of underground tunnelling and 10,000 feet of diamond drilling is already doing what it was designed to do - to prove and expand the gold reserves of the Bear Deposit.

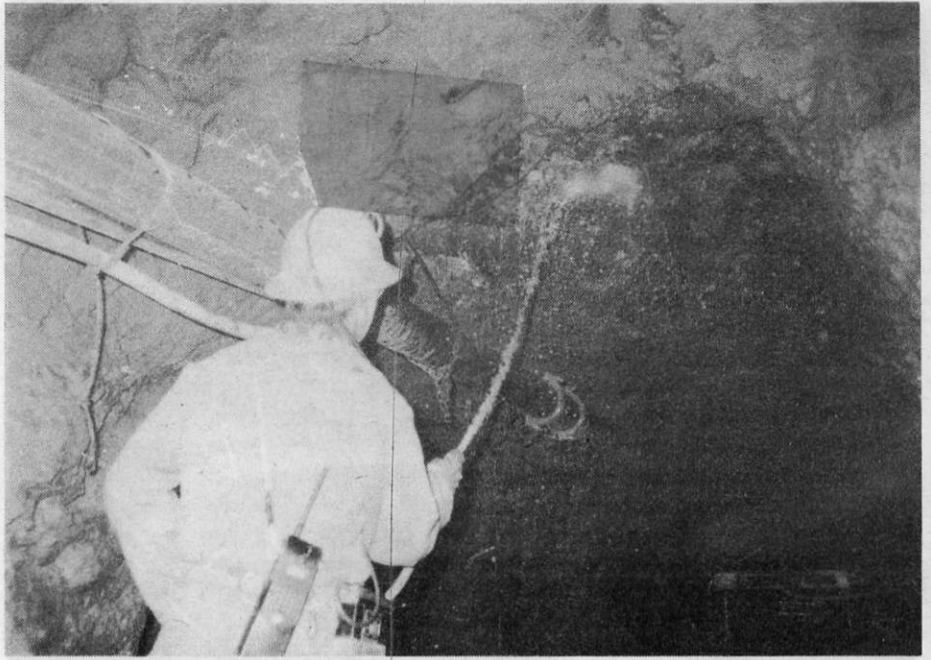
"Our work is proving up a high grade gold deposit," says company President Robert G. Hunter. "and a substantial portion of the Bear Deposit's reserves are amenable to low cost open pit mining methods."

Robert Dickinson, B.Sc., M.B.A., North American's managing director says the program "is moving along exceptionally well...and with better than anticipated gold grades from the underground program it looks like North American will have no difficulty to reach its objective to bring the project to the feasibility stage as early as March, 1987."

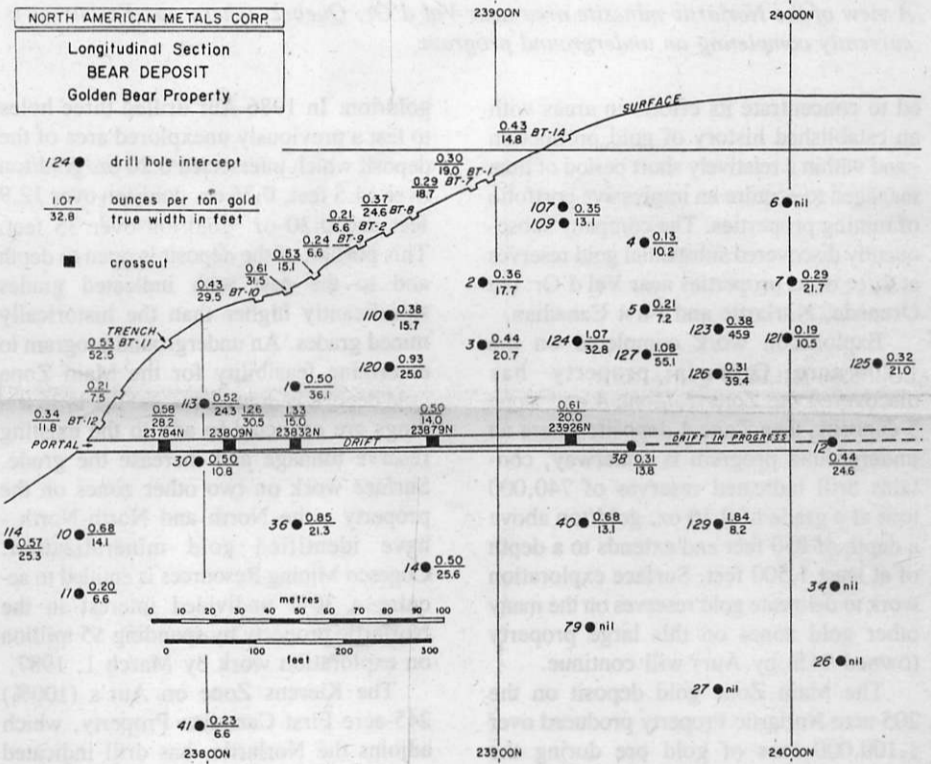
North American Metals' second precious metals acquisition is the Seal River project near Churchill, Manitoba. An agreement was reached with High D'Or Developments last summer, whereby North American can earn a 50% interest in the project by investing \$1 million in its development.

The 122,000 acre property has excellent potential for hosting gold deposits of the world class Homestake type. Drilling of high priority target zones is planned to commence this winter.

North American Metals is headquartered in Vancouver, B.C. and is directed by highly respected Canadian mine financiers and operators with established track records. It shares are traded on the Vancouver Stock exchange; trading symbol NAM.



Jeff Franzen, P.Eng., Project Manager, is hosing down the roof in the main Bear deposit drift in preparation for some sampling.



A picture is worth a thousand words or, in this case, drill holes.