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SOUTH-CENTRAL DISTRICT MONTHLY REPORT

July 1991

DISTRICT HIGHLIGHTS

- * The Goldstream Mine was Officially Re-opened on July 9th, 1991.
- * J & L Equinox Resources Ltd. and Cheni Gold Mines Ltd. report increased reserves on the J&L deposit as a result of recent underground and surface drilling. Tonnage increases are reported as follows:

		previous	current
Main Zone:	(probable)	808,000	1,700,000 tonnes
	(possible)	607,000	3,070,000 tonnes
Yellowjacket	(new)		910,000 @ 7.4% Zn, 2.6% Pb, 55 g/t Ag

Overall probable and possible reserves in the Main Zone are estimated to be 4.77 million tonnes grading 4.3% Zn, 2.7% Pb, 7.2 g/t Au, 72 g/t Ag and about 4.5% As.

- * **Placer Dome Inc.** plans to relocate its western Canada regional exploration office to Kamloops over the course of the next 6 to 8 months. As many as 25 company personnel may be involved in the move.
- * Most activity in July was concentrated in the **Adams Plateau** area:
- * **Minnova Inc.** and **Rea Gold Corp.** report significant results from drilling located approximately 2 km northwest of the **Samatosum Mine**. Milky-white quartz-carbonate veins within the "Samatosum Sedimentary Unit" hosts the mineralization. This unit lies between previously known mineralized horizons and has returned values up to 6.89 g/t Au over 2.1 meters. Minnova announced their decision to place underground reserves into production; u/g reserves are 80,300 tonnes @ 1,022 g/t Ag, 1.2% Cu, 2.9% Zn, 1.7% Pb and 1.7 g/t Au. Open pit plus underground reserves now stand at approximately 230,000 tonnes and will be depleted by October 1992.
- * **Falconbridge Ltd.** continued drilling on the **Birk Creek property**, located 15 km northwest of the Samatosum Mine. The target is the 2.0 km northwest striking "Central Trend" which is characterized by Zn-Pb-Cu-Ag massive sulphide mineralization. Grades reported have been up to 1.13% Cu, 2.0% Pb, 6.6% Zn and 81.6 g/t Ag over 2.2 feet.
- * Deep drilling (>800m) by Homestake Mineral Development Company on the **Twin and Kamad claims** has intersected the Rea horizon zone stratigraphy, but grades have been classified as sub-economic. No further work is planned and the company will likely drop its interest in the ground.