

884789  
LARA

*Corporate Information*

HEAD OFFICE:

904 - 675 West Hastings Street  
Vancouver, B.C. V6B 1N2  
Telephone: (604) 688-3584

DIRECTORS AND OFFICERS:

Albert F. Reeve, President and Director  
Jurgen T. Lau, Director  
R. James Kirker, Director  
William Wolodarsky, Director  
Gary R. McDonald, Director  
John W. Stollery, Director  
Duncan M. Stewart, Director  
Annikki Puusaari, Secretary

AUDITORS:

Coopers & Lybrand Chartered Accountants  
Vancouver, B.C.

SOLICITORS:

Bull, Housser & Tupper  
3000 Royal Centre, 1055 West Georgia Street  
Vancouver, B.C. V6E 3R3

RECORDS & REGISTERED OFFICES:

3000 Royal Centre, 1055 West Georgia Street  
Vancouver, B.C. V6E 3R3

PRINCIPAL SHAREHOLDERS:

Canada Northwest Energy Limited 32.3%  
Exaton Resources Ltd. 9.6%

LISTING:

Vancouver Stock Exchange  
Symbol: LAM

INTERIM REPORT

LOG NO: 08/28/87 VAN 1
ACTION:
FILE NO: LIBRARY - 2.

For the six month period  
ended June 30, 1987

## Report to Shareholders

**THE LARA PROJECT**

This year, an additional 34,000 feet of diamond drilling has been carried out on the Company's 35% owned Lara gold, base metals property on southern Vancouver Island. Abermin Corporation holds the remaining 65% and is the operator.

This work has succeeded in extending the Coronation Zone mineralization to a strike length of 1,800 feet and to a depth of 1,000 feet down the dip of the mineralized horizon. The key drill intersections which have expanded the Coronation Zone mineralization are: No. 182 which averages 0.17 oz/ton gold, 7.85 oz/ton silver, 3.04% copper, 31.07% zinc and 7.19% lead for a core length of 5.4 feet, and No. 184 averaging 0.17 oz/ton gold, 1.50 oz/ton silver, 1.93% copper, 3.64% zinc and 0.64% lead for a core length of 16.5 feet. These intersections are at depths of 660 feet and 990 feet down dip from surface respectively.

A pre-feasibility study has been commissioned to consider the possibility of underground exploration following completion of the current drilling programme.

**OTHER PROJECTS**

Gerle Gold Ltd. holds an option on the Snowflake gold prospect near Aspen Grove, B.C. which is owned by the Company's 50% subsidiary, Quilchena Resources Ltd. A 4,000 foot drilling programme carried out by Gerle this spring has identified a mineralized zone 5 feet thick and 200 feet long averaging 0.77 oz/ton gold. The zone is open and further drilling this fall is being considered.

The Company is presently drilling another gold prospect located near Aspen Grove in the Allison Lake area. This property is owned by the Company's 51% subsidiary, Summers Creek Resources Ltd.

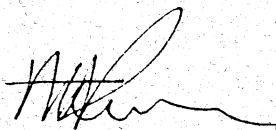
Vanco Explorations Limited, 46.5% owned by the Company, is presently carrying out geological and geochemical exploration for gold on its 1400-acre Aspen Grove area property.

BP Resources Canada Limited-Selco Division has completed geochemical and geophysical surveys of the Company's gold, base metals property in the Kitimat area, B.C. The results of this work are being evaluated.

Nation River Resources Ltd., 25% owned by the Company, has optioned its Quadra Island, B.C. gold prospect to Lone Jack Resources Ltd. Lone Jack plans to begin surface exploration work this year and can earn a 50% interest in the property by paying Nation \$105,000 and completing \$750,000 of exploration work before January 15, 1991. The exploration target is an extensive skarn zone with a trench averaging 0.1 oz/ton gold across a width of 33 feet.

Finally, in July, the Company acquired 450,000 shares of Calnor Resources Ltd. This share block was acquired from MFC Mining Finance Corporation for 50,000 Laramide shares, and represents an interest of 8.6%, fully diluted, in Calnor. Other principal shareholders of Calnor are Northair Mines Ltd., with a 9.9% interest, and Gulf International Minerals Ltd. which, pending an intended purchase of 500,000 shares, will hold a 9.5% interest. Calnor is presently planning a programme of stripping, mapping and sampling on its High Lake gold prospect near Kenora, Ontario.

On behalf of the Board,



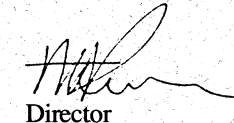
A.F. Reeve  
President

August 14, 1987

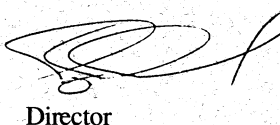
Statement of Changes in  
Financial Position  
for the six months ended June 30, 1987

(Prepared without audit)	1987 \$	1986 \$
CASH PROVIDED FROM (USED FOR) OPERATING ACTIVITIES		
Net decrease in non-cash working capital items	96,205	92,860
FINANCING ACTIVITIES		
Shares issued - for cash	1,037,300	6,600
- for exploration	188,131	55,114
Option payments received (made), net	25,000	—
Share issue expenses	(23,143)	—
	1,227,288	61,714
INVESTING ACTIVITIES		
Mineral properties and related deferred costs, excluding depreciation	(491,804)	(278,387)
Investments	(220,000)	(12,500)
	(711,804)	(290,887)
INCREASE (DECREASE) IN CASH	611,689	(136,313)
CASH AND TERM DEPOSITS— BEGINNING OF PERIOD	475,014	341,554
CASH AND TERM DEPOSITS— END OF PERIOD	1,086,703	205,241

Approved by the Directors:



Director



Director