

Mt. Milligan
885713



N E W S R E L E A S E

NOVEMBER 20, 1989

Robert G. Hunter, Chairman of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ), is pleased to announce that the Company has concluded written agreements in principle respecting two private placements of flow-through common shares of the Company which total \$2,000,000. The first agreement of November 1st, 1989 provides that certain private investors, through their agent will subscribe for 100,000 common shares of the Company at a price of \$10.00 per share and the Company will renounce in favour of the investors Canadian Exploration Expenses related thereto. The second agreement is with CMP 1989 II Resource Partnership and Company, Limited (the "Fund") and similarly provides for the placement of 100,000 shares of the Company at a price of \$10.00 per share with the Company renouncing the exploration benefits in favour of the Fund. Both placements are subject to the usual regulatory approvals.

At Mt. Milligan, systematic drilling of a 6 square mile gold-copper sulphide system is on-going with 5 drill rigs working (36,000 feet/month). On the eastern side of the system a project mineral reserve in excess of 300 million tons has been established by 279,000 feet of drilling in 360 holes. The current mineral reserve, which contains over 5 million ounces of gold and 2 billion pounds of copper should generate revenues in excess of \$4 billion upon commercial production. As drilling progresses westerly this reserve base is expected to expand.

ON BEHALF OF THE BOARD

Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

CONTINENTAL GOLD CORP.

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N E W S R E L E A S E

NOVEMBER 6, 1989

MT. MILLIGAN TO JOIN RANKS OF NORTH AMERICA'S LARGEST MINES

Robert G. Hunter, Chairman of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ), 69.84% owner and operator of the Mt. Milligan gold-copper project near Prince George, British Columbia is pleased to provide an update on property developments.

Systematic drilling of a 6 square mile gold-copper sulphide system is on-going with 6 drill rigs working (36,000 feet/month). On the eastern side of the system a project mineral reserve in excess of 300 million tons has been established by 178,000 feet of drilling in 332 holes. The current mineral reserve, which contains over 5 million ounces of gold and 2 billion pounds of copper should generate revenues in excess of \$4 billion upon commercial production. As drilling progresses westerly this reserve base is expected to expand (see Figure 1).

Within the 200 million ton Mt. Milligan gold-copper deposit an in-fill drill program is well underway. The program is confirming excellent reserve continuity and grade (see Figure 2). New results include:

<u>Hole No.</u>	<u>Intercept Feet</u>	<u>Copper %</u>	<u>Gold oz/ton</u>
89-201	865.9	0.37	0.018
89-209	755.4	0.50	0.015
89-211	308.3	0.43	0.021
89-232	255.2	0.06	0.066
89-291	708.7	0.34	0.106
89-295	838.9	0.38	0.018
89-300	917.7	0.31	0.023
89-306	653.9	0.23	0.024

The blanket-shaped Mt. Milligan deposit measures 4500 feet long 3100 feet wide and up to 880 feet thick. Deposit geometry is ideally suited for large scale, low cost open pit mine development. Engineering, environmental and socio-economic studies are underway for a 50,000 ton per day mine which is expected to produce up to 400,000 ounces of gold and 100,000,000 pounds of copper on an annual basis.

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At least 7 high grade gold veins radiate from the Mt. Milligan disseminated gold-copper deposit. The average gold vein intercept is 15.6 feet with an average grade of 0.30 ounces gold/ton. Further drilling of gold veins is required to assess their extent.

In addition, wide spaced drilling has begun to outline the Southern Star deposit, a newly discovered disseminated gold-copper deposit, located south of the Mt. Milligan deposit (see Figure 3). The Southern Star currently measures 2700 feet long and 2000 feet wide. It's present 100 million ton mineral reserve is open to further expansion. New results in the Southern Star area include:

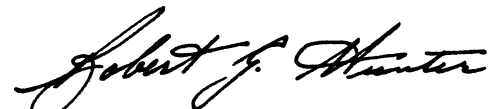
<u>Hole No.</u>	<u>Intercept Feet</u>	<u>Copper %</u>	<u>Gold oz/ton</u>
89-212	301.7	0.35	0.008
89-214	131.2	0.42	0.013
89-217	469.1	0.24	0.016
89-230	446.2	0.32	0.009
89-256	452.8	0.43	0.010
89-278	150.9	0.57	0.033
89-298	601.4	0.31	0.026
89-299	170.6	0.44	0.017

Drilling is also underway 1300 feet west of the Mt. Milligan deposit where the Gold Mark deposit was recently discovered by a drill intercept as follows:

<u>Hole No.</u>	<u>Intercept Feet</u>	<u>Copper %</u>	<u>Gold oz/ton</u>
89-261	288.7	0.16	0.026

The six square mile oval-shaped sulphide system which is currently undergoing systematic drilling is centrally located within a total 42 square mile property. Recent airborne geophysical surveys suggest a further 9 sulphide system targets may be present within the property boundaries.

ON BEHALF OF THE BOARD



Robert G. Hunter
President

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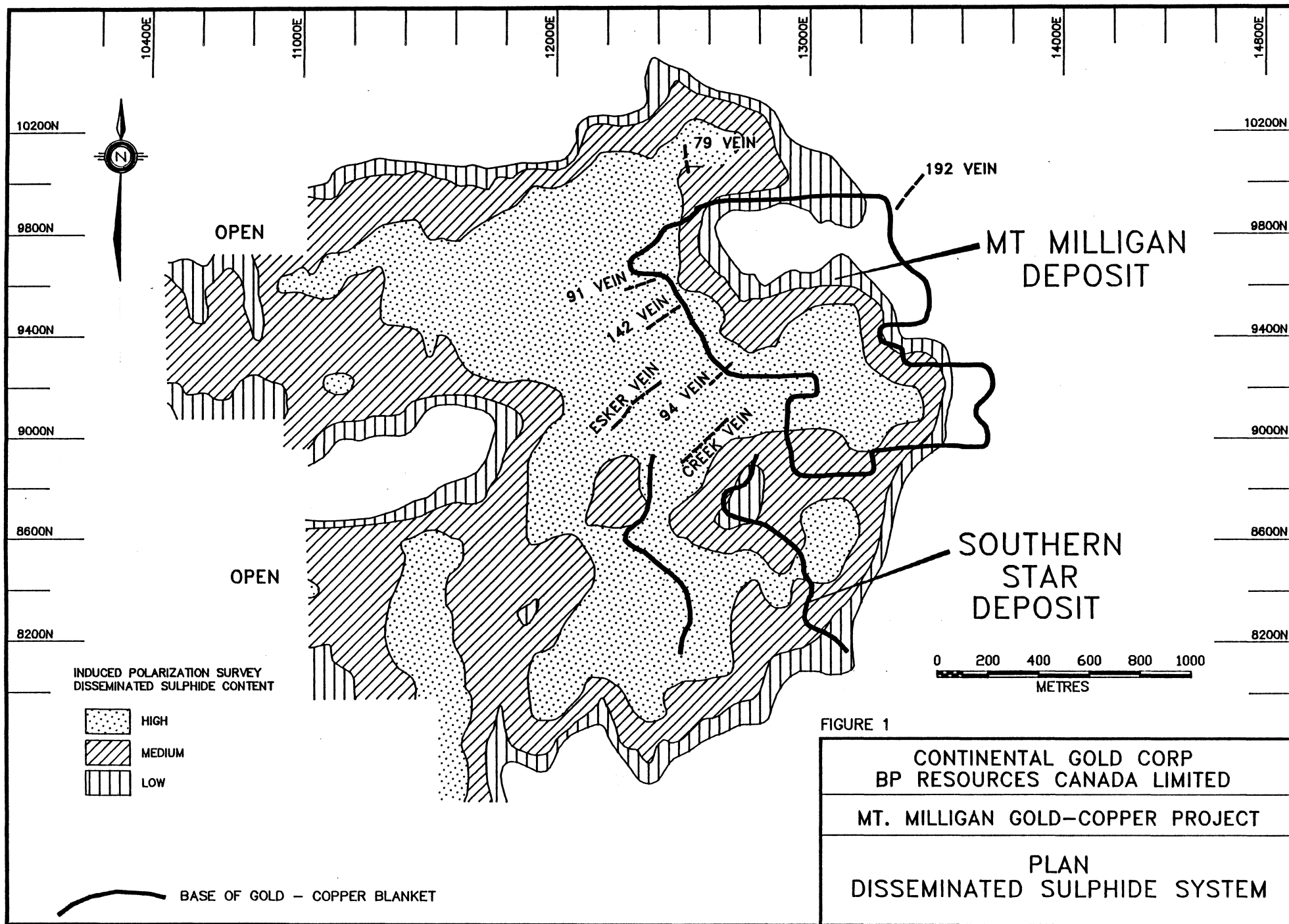
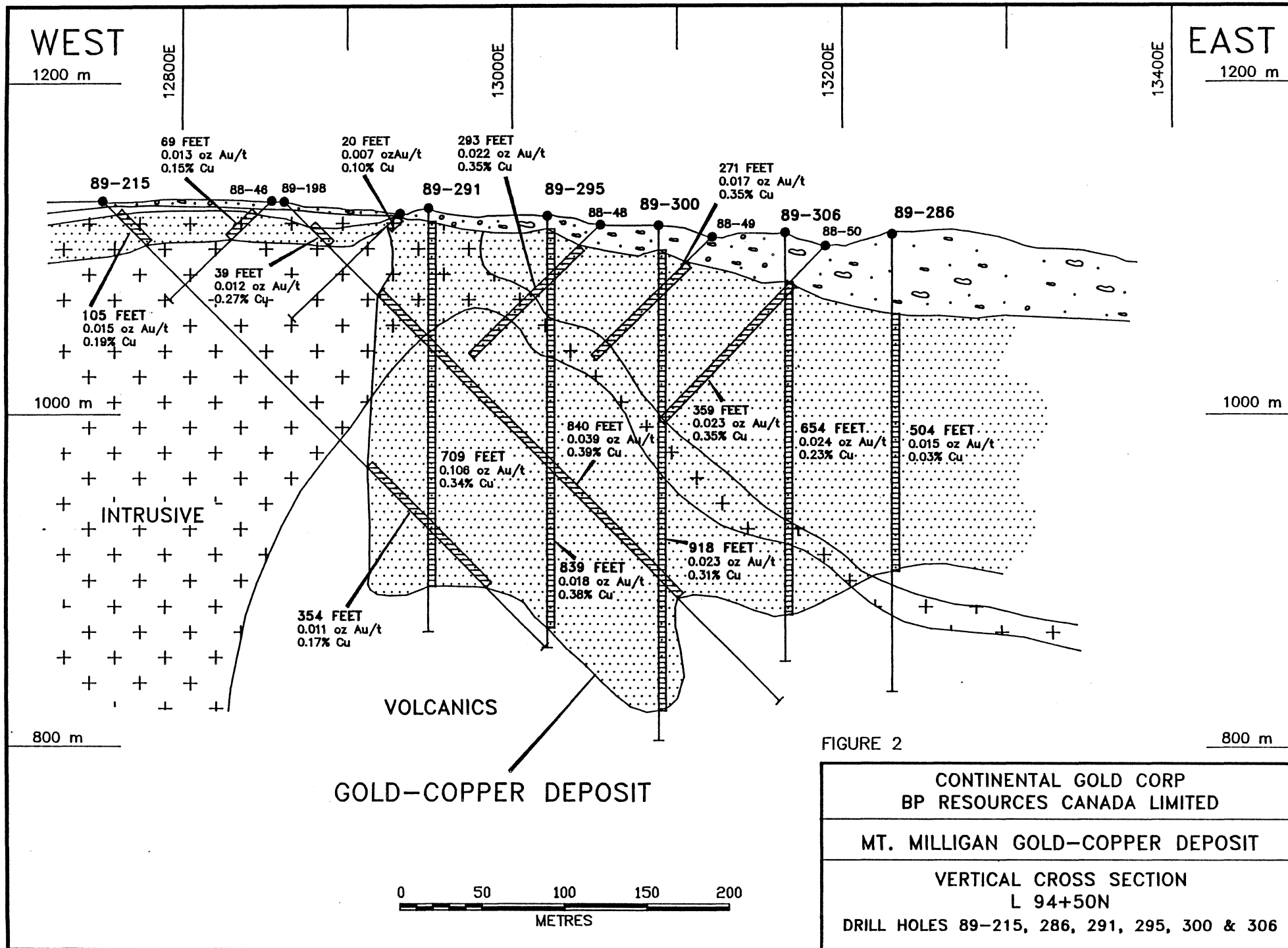


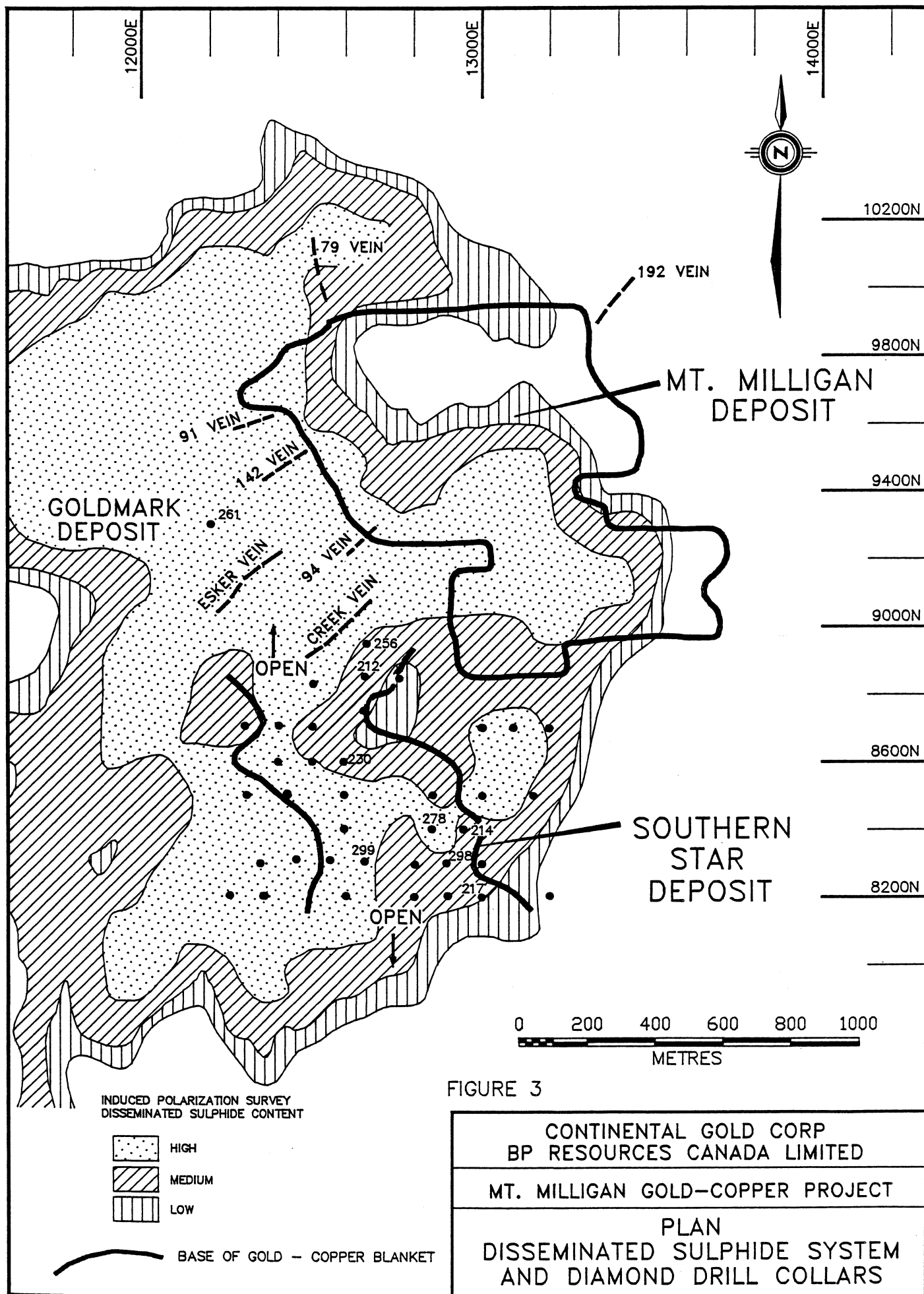
FIGURE 1

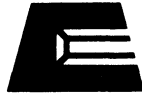
CONTINENTAL GOLD CORP
BP RESOURCES CANADA LIMITED

MT. MILLIGAN GOLD-COPPER PROJECT

PLAN
DISSEMINATED SULPHIDE SYSTEM







NEWS RELEASE

OCTOBER 18, 1989

**CONTINENTAL KEEPS MT. MILLIGAN ON TRACK
- CANADA'S LARGEST DEVELOPMENT PROJECT -**

Robert G. Hunter, Chairman of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ) advises that the Company continues to rapidly advance exploration and development work on the Mt. Milligan Project. At an October 13, 1989, joint venture meeting, Continental Gold Corp. (69.84%), project operator, tabled a \$2,012,040 budget to further develop the property. The program and budget were approved, with a Vice President of BP Resources Canada Limited ("BP") agreeing to the funding of its 30.16% share.

The main 200 million ton Mt. Milligan deposit is currently being engineered for a 50,000 TPD open pit mine which is expected to produce up to 400,000 ounces of gold and 100,000,000 pounds of copper on an annual basis. Forecast operating costs will make Mt. Milligan one of North America's lowest cost producers of gold and copper. Companies with comparable operating costs and levels of production have market capitalizations in the order of \$1 billion. Continental Gold Corp.'s current market capitalization is \$64 million.

In addition to engineering work on the main Mt. Milligan deposit six diamond drill rigs (36,000 feet/month) are systematically testing a 6 square mile disseminated sulphide system. To date this program has discovered 3 new gold-copper deposits (Atlas, Southern Star and Goldmark). Delineation drilling is expected to confirm a project mineral reserve in excess of 5 million ounces of gold and 2 billion pounds of copper, making Mt. Milligan the largest undeveloped gold-copper project in North America. Commercial development of these reserves would generate revenues in the order of \$4 billion.

Continental Gold has been served with the Writ referred to in its October 6th, 1989 News Release and intends to respond vigorously to the Writ in the fashion outlined in that News Release.

ON BEHALF OF THE BOARD

Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

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N E W S R E L E A S E

OCTOBER 6, 1989

BRITISH PETROLEUM ATTEMPTS TO SQUEEZE MINE FINDING CANADIAN JUNIOR

Robert G. Hunter, Chairman of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ) advises that the Company has received notice from BP Resources Canada Limited ("BP") that BP intends to file an action against the Company alleging that the Company breached the terms of its 1986 joint venture agreement ("Agreement") with BP. Continental Gold has conferred with its legal advisors and has been advised that based on the facts BP's allegation is completely without merit.

Continental Gold Corp. understands that BP's allegation is that a simple corporate procedural step, which was part of the March 15, 1989 amalgamation between Continental Gold Corp. and its 69% subsidiary United Lincoln Resources Inc., somehow gave rise to a first right of refusal in favour of BP to acquire an additional interest in the Mt. Milligan property. The BP position is wholly without merit on the basis that it is clearly contrary to the intent of the Agreement and relies on taking a word out of context within the Agreement and unreasonably applying it to the procedural step.

Six weeks prior to the amalgamation BP was provided with all documentation relating to the Continental Gold/United Lincoln amalgamation including those aspects of the procedural step which BP has now taken issue with. During this period BP raised no complaints, issues or objections and for six months after the amalgamation continued to act in accordance with the joint venture terms before raising a complaint. The complained of procedure, did not in any way reduce or adversely affect BP's continuing rights under the Agreement.

The BP position has caused a major Canadian mining company to suspend discussions with the senior officers of Continental relating to a proposed offer for all the outstanding shares of Continental Gold Corp. at a substantial premium over current market price. In the event that BP's actions cause damage to the Company's shareholders, a multimillion dollar counter-suit will be prepared. Further details regarding this matter will be released when available.

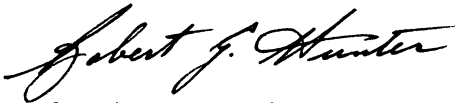
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Continental Gold Corp., operator of the Mt. Milligan project, continues to rapidly advance exploration and development work on the property. The main 200 million ton Mt. Milligan deposit is currently being engineered for a 50,000 TPD open pit mine which is expected to produce up to 400,000 ounces gold and 100,000,000 pounds copper on an annual basis. In addition six diamond drill rigs (36,000 feet/month) are delineating three newly discovered gold-copper deposits elsewhere on the property. A full project update will be released shortly.

ON BEHALF OF THE BOARD

A handwritten signature in cursive script, reading "Robert G. Hunter".

Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.



N E W S R E L E A S E

AUGUST 21, 1989

IMMENSE SULPHIDE SYSTEM DEFINED

Robert G. Hunter, Chairman of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ) announced today that an Induced Polarization (IP) survey has been completed to the south and west of the Mt. Milligan gold-copper deposit. The Mt. Milligan deposit, where drilling is on-going, has current reserves in excess of 4 million ounces of gold and 1.2 billion pounds of copper.

The IP survey has delineated an extensive oval-shaped sulphide system which stretches over four square miles and is open to the west. (see Figure 1). This immense sulphide system has the scale to produce a bulk tonnage project in the super giant class; such as Bingham, OK Tedi, or Highland Valley.

Exploration drilling of this system, which will continue for several months, is underway. Early indications are positive.

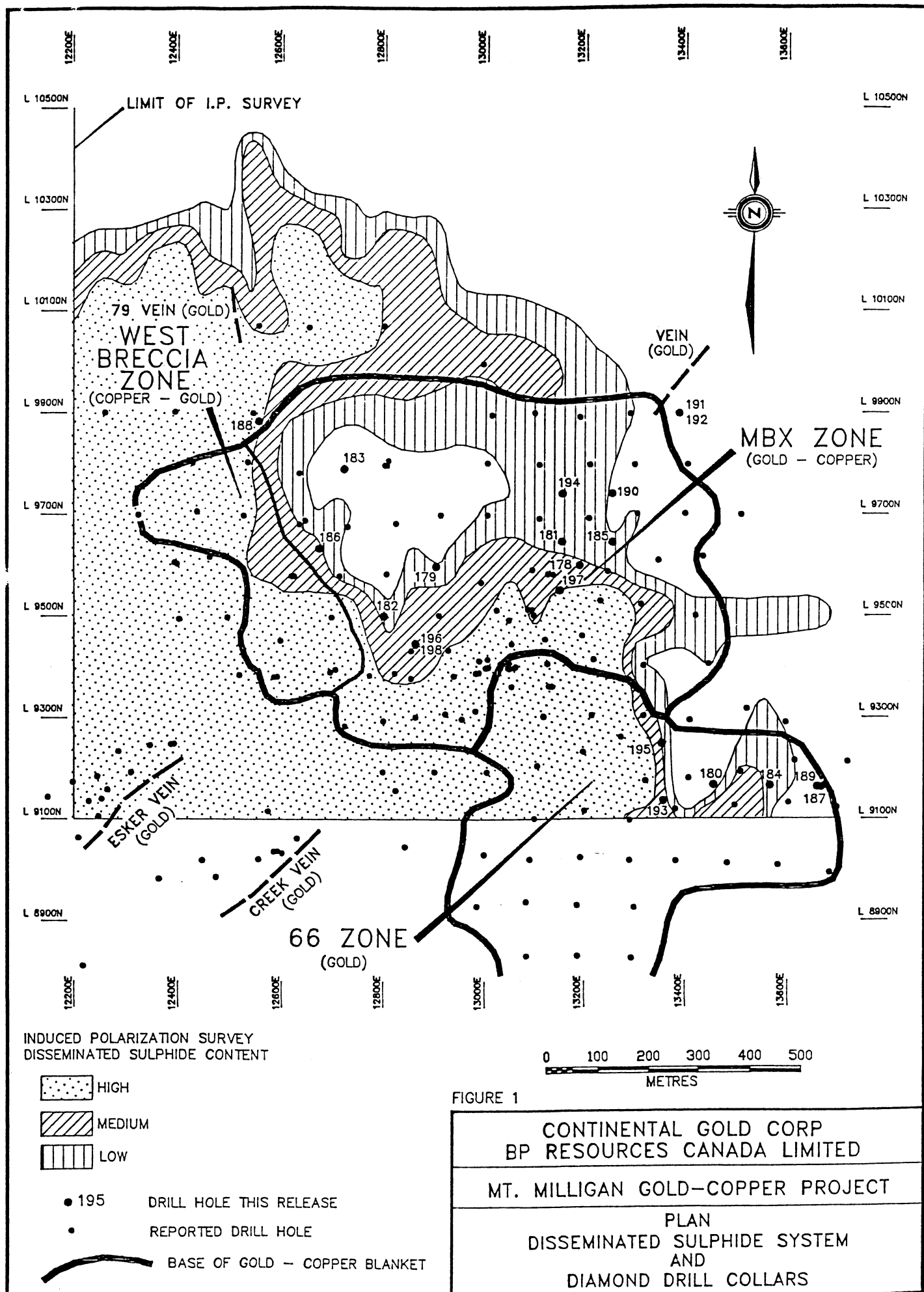
ON BEHALF OF THE BOARD

Robert G. Hunter
Chairman

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N E W S R E L E A S E

August 10, 1989

CONTINENTAL GOLD NAMES NEW DIRECTOR

Mr. Robert G. Hunter, Chairman of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ) announced today the appointment of Mr. Ray W. Ballmer to the Board of Directors of Continental Gold Corp.

Mr. Ray Ballmer is Vice-Chairman and Chief Executive Officer of Rio Algom Limited.

Rio Algom Limited recently announced the purchase of 628,053 shares or 8.6% of Continental Gold Corp. In addition, to purchasing some 573,353 of these Continental Gold shares from Homestake Mining Company, Rio Algom purchased the rights within a June 30, 1988 - Continental Gold Corp. - Homestake Mining Company private placement share purchase agreement which included the right to Board representation and the right to purchase approximately 8% of future Continental Gold Corp. share issuances.

Rio Algom is one of several major mining companies that are closely following developments at Continental Gold's 70% controlled Mt. Milligan gold-copper deposit near Prince George, B.C. Rio Algom is a recognized leader in the operation of large-scale open pit mines and is a partner in Highland Valley Copper which operates Canada's largest open pit base metal mine.

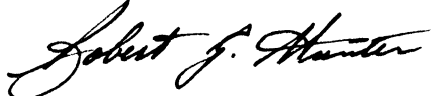
On-going drilling at Mt. Milligan has outlined a world class, disseminated gold-copper deposit. The deposits's geometry and massive reserves make it ideally suited for large-scale open pit development. Prefeasibility projections indicate average annual gold production in the range of 200,000 to 300,000 ounces and average annual copper production in the range of 60,000,000 to 100,000,000 pounds over a 10 to 15 year mine life.

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Continental Gold Corp. has 7,396,114 shares outstanding and trades in Canada on the Vancouver Stock Exchange with symbol CNT and in the United States on NASDAQ with symbol CNTVF.

ON BEHALF OF THE BOARD

A handwritten signature in cursive script, reading "Robert G. Hunter".

Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.



N E W S R E L E A S E

AUGUST 1, 1989

GRADES RISE - TONNAGE BUILDS AT MT. MILLIGAN

Robert G. Hunter, Chairman of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ) is pleased to announce further diamond drill hole results from the Mt. Milligan Project near Prince George, B.C. The project is a Continental Gold Corp. (70%) - BP Resources Canada Limited (30%) joint venture. Continental Gold Corp. is operator.

Delineation drill holes recently completed within the massive, blanket-shaped Mt. Milligan deposit have returned outstanding gold and gold-copper grades over long core lengths. Notable new results include:

<u>Zone</u>	<u>Hole No.</u>	<u>Intercept (Feet)</u>	<u>Copper %</u>	<u>Gold oz/ton</u>
66	89-184	297.1	0.02	0.107
MBX	89-185	1089.0	0.30	0.011
VEIN	89-192	45.9	0.34	0.325
MBX	89-197	498.6	0.43	0.053
MBX	89-198	531.4	0.44	0.052

Results confirm excellent reserve continuity and indicate a significant upgrading of the deposit's gold content. The deposit measures 4,300 feet long, up to 3,100 feet wide and up to 880 feet thick (Figure 1). Current reserves are in excess of 4,000,000 ounces of gold and 1.2 billion pounds of copper. Deposit geometry is ideally suited for low cost open pit mine development. Engineering studies under the direction of Cominco Engineering Services Limited are now in progress.

In addition, wide spaced drill holes have identified several radiating, high grade gold veins peripheral to the large scale disseminated deposit. A new vein discovery was made by drill hole

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89-192 which cut 90.5 feet of 0.191 ounces gold/ton and 0.44% copper. Further work is required to establish continuity of veins on the property.

New results from widely spaced sites in the MBX Zone are:

MBX ZONE

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-178	089	-63	896.8 (including)	137.1	528.1	391.0	0.37	0.015
				137.1	298.5	161.4	0.54	0.024
89-179	088	-47	626.8 (including)	150.9	626.8	475.9	0.35	0.017
				387.0	626.8	239.8	0.55	0.025
89-181	270	-46	1273.3	160.1	724.9	564.8	0.38	0.012
89-182	181	-45	836.7 (including)	16.1	98.4	82.3	0.32	0.011
				551.0	695.4	144.4	0.22	0.009
89-183	090	-70	1117.7	111.9	242.7	130.8	0.68	0.030
89-185	269	-46	1446.8	206.6	1295.6	1089.0	0.30	0.011
89-186	089	-45	1806.5	944.6	1193.9	249.3	0.36	0.032
				1331.7	1745.0	413.3	0.28	0.015
89-188	000	-90	897.8	120.1	164.0	43.9	0.28	0.009
				577.3	770.8	193.5	0.25	0.004
89-190	270	-45	1326.8	1036.5	1292.3	255.8	0.34	0.008
89-191	270	-45	164.0	hole lost				
89-194	270	-45	1226.7	225.0	574.0	349.0	0.40	0.020
				790.5	1066.0	275.5	0.22	0.009
89-196	180	-45	806.8	13.1	357.5	344.4	0.10	0.010
89-197	270	-45	1226.7 (including)	84.9	951.2	866.3	0.42	0.036
				84.9	400.2	315.3	0.47	0.016
				452.6	951.2	498.6	0.43	0.053
89-198	92	-44	1386.8 (including)	275.5	1115.2	839.7	0.39	0.039
				275.5	806.9	531.4	0.44	0.052

192 VEIN ZONE

<u>Hole No.</u>	<u>Azimuth (Degrees)</u>	<u>Dip (Degrees)</u>	<u>Hole Length (Feet)</u>	<u>Interval (Feet)</u>		<u>Intercept (Feet)</u>	<u>Copper %</u>	<u>Gold oz/ton</u>
				<u>From</u>	<u>To</u>			
89-192	266	-47	1386.8 (including)	509.7	600.2	90.5	0.44	0.191
				554.3	600.2	45.9	0.34	0.325

New results from widely spaced sites within the 66 Zone are:

66 ZONE

<u>Hole No.</u>	<u>Azimuth (Degrees)</u>	<u>Dip (Degrees)</u>	<u>Hole Length (Feet)</u>	<u>Interval (Feet)</u>		<u>Intercept (Feet)</u>	<u>Copper %</u>	<u>Gold oz/ton</u>
				<u>From</u>	<u>To</u>			
89-180	267	-46	664.8	249.3	305.0	55.7	0.41	0.008
				370.6	636.3	265.7	0.14	0.046
89-184	268	-45	929.8 (including)	558.3	855.4	297.1	0.02	0.107
				558.3	776.7	218.4	0.03	0.132
89-187	270	-44	102.0	hole lost				
89-189	270	-46	1011.6	no significant values - in intrusive				
89-193	268	-41	605.8 (including)	226.3	605.8	379.5	0.16	0.017
				226.3	488.7	262.4	0.20	0.018
89-195	267	-45	1149.7	633.0	908.6	275.6	0.02	0.012

Drilling with four rigs is continuing. Engineering, environmental and socioeconomic studies are in progress. A recent airborne geophysical survey over the entire 42 square mile property identified many anomalous areas for follow up work. Further, recent ground geophysical surveys south and west of the Mt. Milligan deposit, over broad soil geochemical anomalies, have identified new deposit targets as follows:

1. a 1200 foot southern extension to the 66 gold zone (drill testing in progress)
2. a major sulphide system centered 3,300 feet southwest of the Mt. Milligan deposit (drill testing in progress)
3. a major sulphide system centered 5,500 feet west of the Mt. Milligan deposit (drilling to commence soon)

There is no doubt that, although over 160,000 feet of drilling in 210 holes has been completed with a success ratio of over 90% in recent months at Mt. Milligan, exploration of this immense gold-copper system has just begun.

ON BEHALF OF THE BOARD

A handwritten signature in cursive script, appearing to read "Robert G. Hunter".

Robert G. Hunter
Chairman

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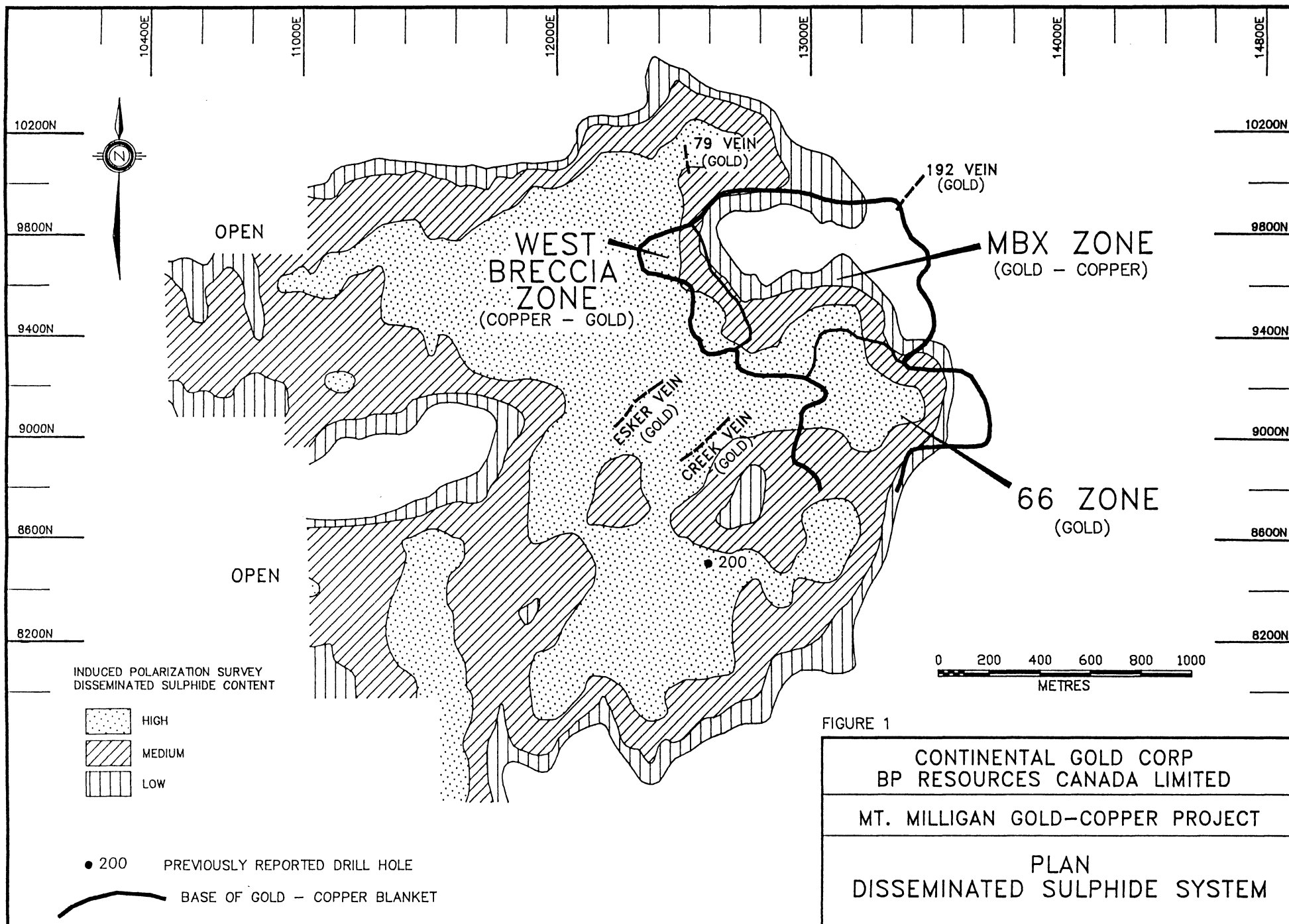


FIGURE 1

CONTINENTAL GOLD CORP
BP RESOURCES CANADA LIMITED

MT. MILLIGAN GOLD-COPPER PROJECT

PLAN
DISSEMINATED SULPHIDE SYSTEM



**CONTINENTAL GOLD CORP.
PROGRESS REPORT FOR SHAREHOLDERS**

August 1, 1989

Dear Shareholder:

The Board of Directors and Management of Continental Gold Corp. are pleased to inform shareholders of important new developments affecting your Company.

THE MT. MILLIGAN DISCOVERY

Your Company has recently discovered the world class Mt. Milligan gold-copper deposit near Prince George, B.C. The Project is a 70% Continental Gold Corp. - 30% BP Resources Canada Limited joint venture. Continental is project operator. On-going core drilling, currently in excess of 150,000 feet in 200 holes, has outlined a massive, blanket shaped deposit 4,300 feet long, up to 3,100 feet wide and up to 880 feet thick. The deposit is still open to extension. The Mt. Milligan deposit's geometry and massive reserves make it ideally suited for large-scale open pit mine development. Prefeasibility projections show average annual gold production of 200,000 to 300,000 ounces and average annual copper production of 60,000,000 to 100,000,000 pounds over a 10 to 15 year mine life. At this scale of production Mt. Milligan will rank third in Canadian gold production after Lac Minerals Ltd.'s Page Williams Mine (379,000 oz/year) and Hemlo Gold Mines Inc.'s Golden Giant Mine (337,000 oz/year). Operating costs to produce an ounce of gold will compare favourably with these major mines. Both comparable companies have market capitalizations in the \$1 billion range. Drilling, engineering, environmental and socio-economic studies to support development and permitting of the Mt. Milligan project into production are now in progress.

MAJOR NEW SULPHIDE SYSTEMS DISCOVERED

Ground and airborne geophysical exploration surveys have just been completed over a region south and west of the current deposit area. These surveys have identified at least two new major sulphide systems on the property with response magnitudes similar to that of the massive Mt. Milligan gold-copper deposit. Drills are being moved to these deposit targets.

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GOLD AND COPPER GRADES ON THE RISE

Mt. Milligan reserves are currently in the 150-200 million ton range at an average grade for the whole deposit of 0.30% copper and 0.02 ounces gold/ton. Results from an in-fill drill program now underway indicate that average gold and copper grades for the deposit will increase. Recent results from the in-fill program include:

<u>Hole Number</u>	<u>Intercept Length (Feet)</u>	<u>Gold (oz/ton)</u>	<u>Copper (%)</u>
89-184	297.1	0.107	0.02
89-197	498.6	0.053	0.43
89-192	90.5	0.191	0.44

MINING INDUSTRY CLOSELY FOLLOWS DEVELOPMENTS

Mt. Milligan's established infrastructure, massive reserves and excellent metallurgy have placed Continental Gold Corp. in the position of being North America's leading, development stage gold company. This enviable position has resulted in your Company's activities being closely followed by the North American mining industry. The Board of Directors anticipates that this interest will soon lead to the receipt of various proposals which could strongly impact the Company.

RIO ALGOM REACHES AGREEMENT WITH HOMESTAKE MINING COMPANY FOR SHARE PURCHASE

Your company was recently notified by Rio Algom Limited that it had purchased a minority interest in Continental Gold Corp. Rio Algom has purchased 573,353 shares of Continental Gold Corp. at a price of \$8 per share from Homestake Mining Company and bought 54,700 shares of the Company in the open market giving it a total holding of 628,053 shares or 8.6% of Continental Gold.

Rio Algom's purchase of Continental shares from Homestake included an agreement whereby, should Rio Algom or any third party complete a formal bid for shares of Continental Gold Corp., Homestake will receive for a period of nine months, 75% - 100% of the bid price in excess of \$8 per share.

Rio Algom is one of several major mining companies that are closely following developments at Mt. Milligan. Rio Algom, whose parent is RTZ Corporation, is a recognized leader in the operation of large-scale open pit mines and is a partner in Valley Copper which operates Canada's largest open pit base metal mine.

Rio Algom obviously shares management's view that commercial development of Mt. Milligan would strongly impact on the bottom line of even the largest of mining companies. The purchase of Continental Gold's shares by Rio Algom is a signal to management that Rio Algom may continue acquisition of the Company's shares.

FINANCING AT \$9.50 COMPLETED

A recent private placement to NIM and Company at \$9.50 per share netted \$2,000,000. With corporate working capital of over \$3.5 million, the Company is well positioned to advance the Mt. Milligan Project through final feasibility and to a production decision. The Company has also opened discussions with leading Bank, Smelter and Engineering groups with regard to major interim and capital debt financing for the Project. At this stage further dilution to shareholder equity is not anticipated. The Company has 7,300,000 shares issued and outstanding.

INTERNATIONAL TRADE FOLLOWS MT. MILLIGAN PROJECT

The Company is pleased to provide the following information which has been extracted from a feature story on the Company's Mt. Milligan Project. International Mining of London, England recently stated the following:

MT. MILLIGAN, THE GOLDEN CHILD

This recent discovery by Continental Gold (70%) and partner BP Resources Canada Limited (30%) though barely eight months old, is already being hailed as western Canada's largest gold deposit . . .

As further drilling continues, the reserves grow and the production costs fall - some child! When production starts in late 1992 the mine's annual output is expected to be 278,000 oz of gold and 29,000 tonnes of copper. At an estimated copper price of \$1.00/lb. the cash costs for gold production at today's prices will only be \$50/oz. This will make Mt. Milligan the lowest cost gold producer in North America and a leading Canadian gold producer, third only to Lac's Page Williams Mine (379,000 oz/yr) and Hemlo Gold's Golden Giant Mine (337,000 oz/yr). Mt. Milligan will also produce significant copper . . .

In the case of Mt. Milligan the facts speak for themselves. There is a solid and experienced management team, money in the bank, gold in the ground and a host of anxious senior mining companies waiting in the wings for an opportunity to become involved in what can only be described as a bonanza. It is no wonder that Mt. Milligan is the best kept secret to come out of a continent famous for its lack of quiet humility. BRAVO!

Enclosed with this update are a number of press articles and news releases which we hope will help shareholder's appreciate why Management of Continental Gold Corp. is extremely excited about the prospects for your Company.

Should you have any questions or require additional information, we encourage you to contact us. We value your continued support as a shareholder in Continental Gold Corp.



Robert G. Hunter, Chairman



Robert A. Dickinson, President



N E W S R E L E A S E

JULY 18, 1989

RIO ALGOM ACQUIRES CONTINENTAL SHARE BLOCK FROM HOMESTAKE

Robert G. Hunter, Chairman of Continental Gold Corp. announced today that Rio Algom Limited has notified the Company and the SEC by way of a Schedule 13D filing that it has reached an agreement to purchase 573,353 Continental Gold shares at a price of \$8 per share from Homestake Mining Company. In addition Rio Algom discloses purchases of 54,700 Continental Gold shares in the open market for a total holding of 628,053 shares or 8.6% of Continental Gold. The Rio Algom-Homestake agreement is to close July 24, 1989. Under the Agreement, should Rio Algom or any third party complete a formal bid for shares of Continental Gold Corp., Homestake will receive for a period of nine months subject to certain conditions, 75% - 100% of the bid price in excess of \$8 per share. In addition to the share purchase, Rio Algom has also purported to purchase Homestake's other rights pursuant to a June 30, 1988 agreement with the Company, which rights include Board representation and a pre-emptive right to purchase approximately 8% of future Continental Gold share issuances.

Rio Algom is one of several major mining companies that are closely following developments at Continental Gold's 70% controlled Mt. Milligan gold-copper deposit near Prince George, B.C. Rio Algom and parent RTZ Corporation are recognized world leaders in the operation of large-scale open pit mines. Rio Algom is a partner in Highland Valley Copper which operates Canada's largest open pit base metal mine. Rio Algom obviously shares management's view that commercial development of Mt. Milligan would strongly impact on the bottom line of even the largest of mining companies.

On-going drilling at Mt. Milligan has outlined a world class, disseminated gold-copper deposit 4,300 feet long, up to 3,100 feet wide and up to 880 feet thick. The deposit's geometry and massive reserves make it ideally suited for large-scale open pit development. Prefeasibility projections indicate average annual gold production in the range of 200,000 to 300,000 ounces and average annual copper production in the range of 60,000,000 to 100,000,000 pounds over a 10 to 15 year mine life.

Continental Gold Corp. has 7,367,923 shares outstanding and trades in Canada on the Vancouver Stock Exchange with symbol CNT and in the United States on NASDAQ with symbol CNTVF.

ON BEHALF OF THE BOARD

Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

CONTINENTAL GOLD CORP.

Suite 1020 - 800 West Pender St. Vancouver B.C. Canada V6C 2V6
Tel. 604/684.6365 Fax. 604/684.8092

BACKGROUND

Rio Algom Limited

Rio Algom is the sixth-largest mining group in Canada. The company lost some of its status as one of Canada's largest miners during a do nothing period in the late '70s and early '80s. However, it is still an active participant in the minerals scene. Rio is the 51% owned subsidiary of RTZ Plc and with a recent change in senior management is planning to grow its mining interests through exploration, development and acquisitions.

Rio's strategic plan for the 1990s is to re-focus their efforts on the mining business, their traditional area of expertise. Principal mining interests are in uranium, potash, tin, and now copper, with the purchase of Lornex's share of the HVCJV. Rio's manufacturing interests in stainless and speciality steels are now available for sale and under option to Sammi of South Korea.

Rio allowed its exploration efforts to run down to almost nothing a decade ago. Today, the company does not have the pool of opportunities that some other firms have and will in all probability need to buy into new projects. Base and precious metals properties in North America are their preferred targets. With its own control secure, Rio Algom can be expected to be a buyer of mining assets when they become available.

Rio has plenty of cash, over \$400 million, plus the proceeds from the sale of the Atlas stainless steel business. With significant untapped financing ability Rio could undertake a sizeable acquisition. The current view is that their parent company, RTZ plc, would participate in an equity issue and keep its 50% ownership intact.

Philip S. Martin, Gordon Capital Corporation
The Canadian Mining Industry - Corporate
Development Strategies for the 1990's,
May 1989



N E W S R E L E A S E

JULY 13, 1989

MAJOR NEW SULPHIDE SYSTEM DISCOVERED

Robert G. Hunter, Chairman of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ) announced today that an Induced Polarization Survey has outlined a major new sulphide system southwest of the Mt. Milligan bulk tonnage gold-copper deposit.

The Company's geophysical consultant, Mr. John Lloyd, P.Eng. of Lloyd Geophysics Limited reports that "a strong IP anomaly with an average width of 3,000 feet and a minimum strike length of 4,500 feet has been partially delineated. The anomaly remains open to the west and north. The relative magnitude of the survey response is greater than that of the 1988 IP survey response which lead to the discovery of the massive Mt. Milligan gold-copper deposit. This new anomaly indicates the discovery of another major sulphide system on the property".

This new geophysical anomaly is overlain by a large gold-copper soil geochemical anomaly (Figure 1). Because Mt. Milligan type porphyry gold-copper deposits typically occur in clusters, a high probability exists that further gold-copper mineralization will be found on the property. Two drills are being moved to test the new anomaly.

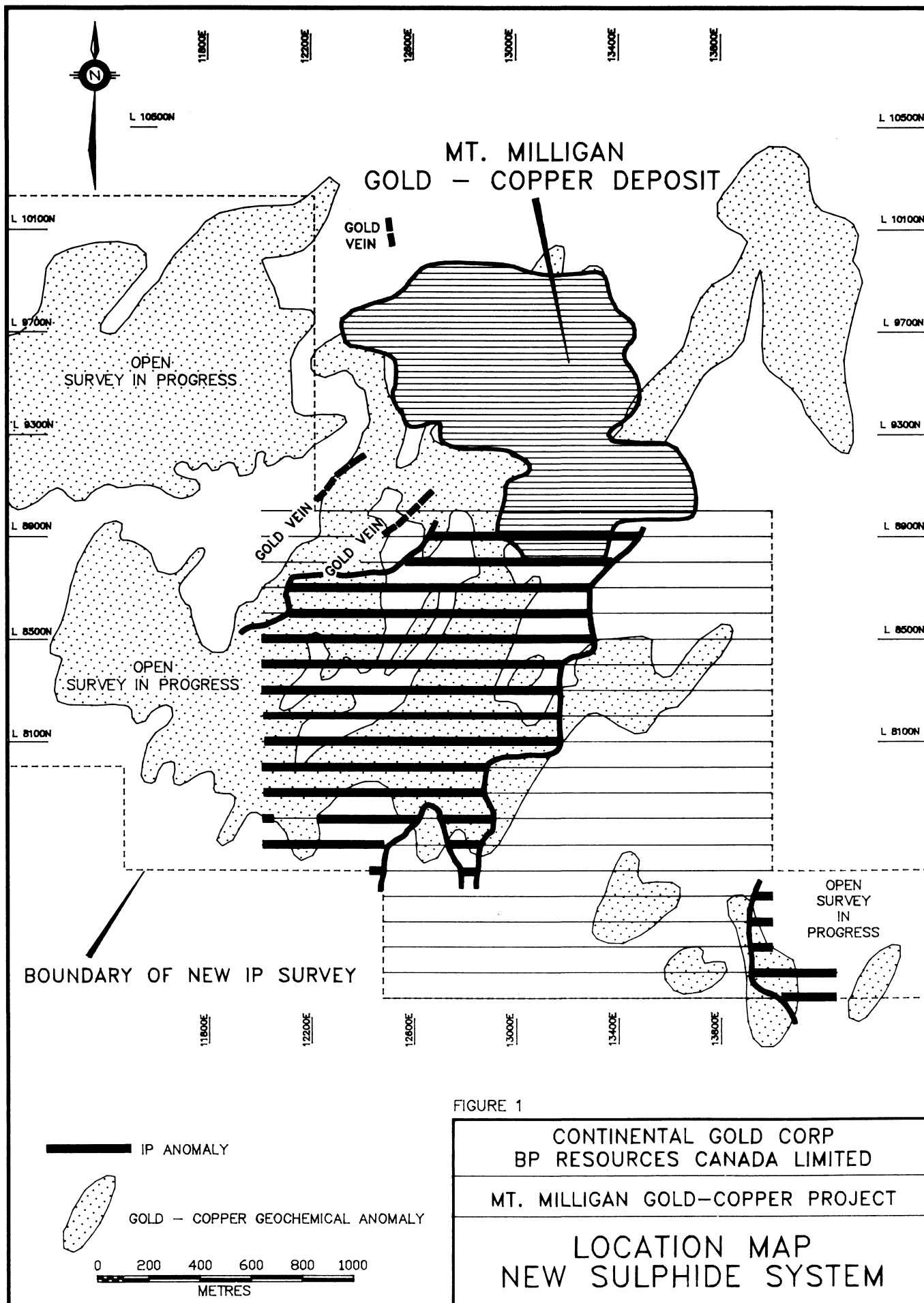
ON BEHALF OF THE BOARD

Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

CONTINENTAL GOLD CORP.

Suite 1020 - 800 West Pender St. Vancouver B.C. Canada V6C 2V6
Tel. 604/684.6365 Fax. 604/684.8092





42 SQUARE MILE
MT. MILLIGAN PROPERTY

ENTIRE PROPERTY
AIRBORNE GEOPHYSICAL SURVEY COMPLETE
(RESULTS PENDING)

MT. MILLIGAN
GOLD - COPPER DEPOSIT

MAINLINE
ROAD

IP ANOMALY

GOLD - COPPER
SOIL ANOMALY

GEOPHYSICAL SURVEY
IN PROGRESS

GEOCHEMICAL SURVEY




-  70% CONTINENTAL GOLD
30% BP RESOURCES CANADA
-  100% CONTINENTAL GOLD
-  BP RESOURCES CANADA 100% OPTION



FIGURE 2

CONTINENTAL GOLD CORP
BP RESOURCES CANADA LIMITED

MT. MILLIGAN GOLD-COPPER PROJECT

PROPERTY MAP



ScotiaMcLeod

START

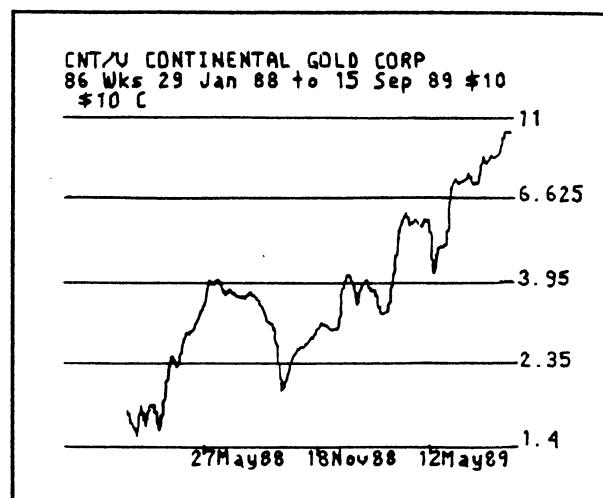
Strategic
Asset
Recognition
& Timing

Weekly Market Review

Mon. Sept. 18, 1989

Equity Research

CONTINENTAL GOLD CORPORATION (CNT-V \$9 3/4) - This company recently discovered a large, low grade copper-gold deposit near Prince George, B.C. This project is a 70% Continental Gold and 30% B.P. Resources Canada joint venture. Ongoing core drilling, currently in excess of 150,000 feet in 200 holes, has outlined a massive deposit. Pre-feasibility projections show that, based on a 35,000 tons/day operation, an open-pit mine would produce 278,000 ounces of gold and 64 million pounds of copper annually over a 15-year-plus mine life. Under the fluid nature of the exploration programme and its excellent potential for sizeable expansion of reserves, it is extremely difficult to put a sensible value on the shares of Continental Gold. However, we do believe it is under-valued at the current price and offers reasonable potential for meaningful capital appreciation. The company has \$3.5 million in the bank and no debt. The management has a proven record and a good reputation. The company is also considered to be an attractive takeover candidate for several mining companies although Rio Algom currently owns approximately 628,000 shares of CNT. A reasonable take-out value would be in the range of \$12 - \$16 and possibly higher depending upon the results of future drilling activity. A ScotiaMcLeod research report dated August 22, 1989 is available from the Research Department. (Analyst: G. Thomas Komlos)

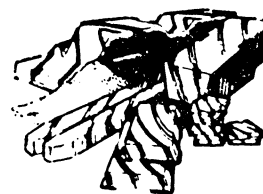




ScotiaMcLeod

MINING BRIEF

G. Thomas Komlos



August 22, 1989

*Toronto 416-862-3066
Montreal 514-287-3600
New York 212-804-5400
London, UK 1-256-5656
Zurich 1-221-3021
Tokyo 3-592-3870*

Continental Gold Corporation (CNT-V \$8 5/8)

Recommendation: Speculative Buy

The company recently discovered the large low-grade Mt. Milligan copper-gold deposit near Prince George, B.C.. The project is a 70% Continental Gold and 30% BP Resources Canada joint venture. Continental is the project operator.

Ongoing core drilling, currently in excess of 150,000 feet in 200 holes, has outlined a massive, blanket-shaped deposit 4,300 feet long, up to 3,100 feet wide and up to 880 feet thick. The deposit is still open to extension. The deposit is suited for large-scale open pit mine development. The currently indicated 150-200 million tons reserves, grading 0.3% copper and 0.02 ounces of gold per ton, could easily be expanded and the grade could move up as well.

Pre-feasibility projections show that based on a 35,000 tons/day operation, the open pit mine would produce 278,000 ounces of gold and 64 million pounds of copper annually over a 15-year-plus mine life. Capital cost of approximately \$230 million would be raised following completion of a feasibility study by mid-1990. Production could commence in late 1992 or early 1993. At an estimated US\$1.00 per pound copper price and US\$400 per ounce gold price, net revenue would amount to US\$14.60 per ton with a cash cost of \$5.00 per ton or a net production cost equalling US\$30 per ounce of gold. This would make Mt. Milligan probably the lowest cost gold producer in North America. On a more conservative price forecast basis of US\$0.80 per pound of copper and \$350 per ounce of gold, the pay-back period would rise from 1.9 to 2.7 years and the company's portion of pre-tax but after payback cash flow would decline from \$87.8 million to \$65.8 million, or from \$11 to \$8 per share on the fully diluted 8.2 million shares outstanding.

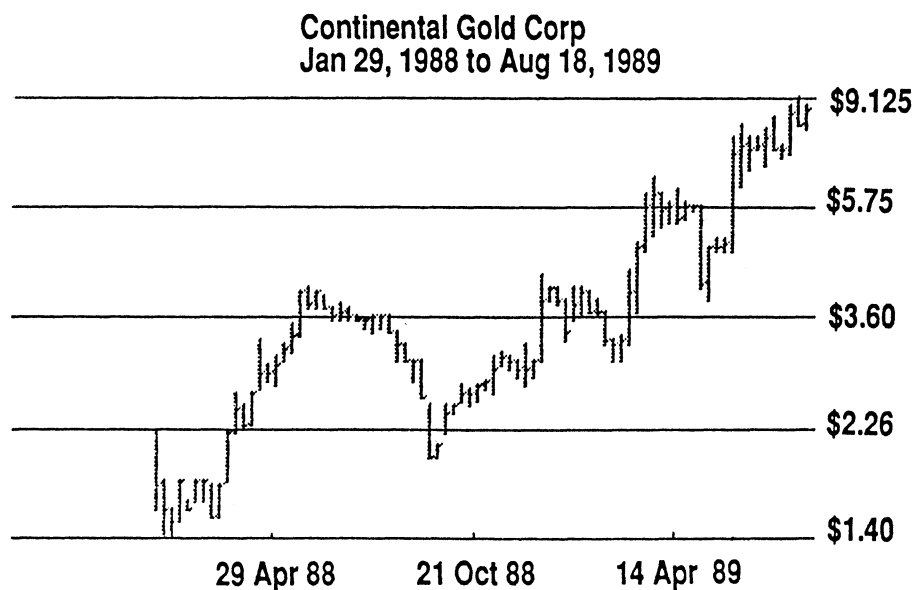
Ground and airborne geophysical exploration surveys have recently been completed over a region south and west of the current deposit area, indicating at least two new major sulphide systems on the property. Drills are being moved to these deposit targets.

Rio Algom (ROM \$26 3/4) owns 628,053 shares of Continental Gold. This position was recently purchased for \$8 per share from Homestake Mining Company. (The latter company holds a right which states that if Rio Algom or any third party were to complete a formal bid for the shares of Continental Gold, it would receive until April 1990 75%-100% of the bid price in excess of \$8 per share.)

Continental Gold is definitely a take-over candidate. Aside from Rio Algom, which appears to have an upper hand, other potential bidders include: Noranda (NOR \$24 7/8) with the large, closely situated, Bell mine closing down operations in 1992 and Brenda in 1990 and; Placer Dome (PDG \$18 3/8) which has the

wherewithal, the presence in British Columbia as well as excellent expertise in these types of operations.

Under the fluid nature of the exploration program and its excellent potential for sizeable expansion of reserves, it is extremely difficult to put a sensible value on the shares of Continental Gold. The stock at the current level is definitely undervalued. As a matter of interest, Hemlo Gold at \$14 3/4 sells at \$203 per ounce of its gold reserves. In the meanwhile, Continental Gold at \$8 5/8 reflects little over \$25 per ounce value on its current ownership of 2.8 million ounces in place. We do not suggest an eight times catch-up potential, as the numbers seem to suggest, but just brought the foregoing comparison forth to demonstrate the existence of a reasonable potential for meaningful capital appreciation in the stock price. The company has \$3.5 million in the bank and no debt. The management of Continental Gold has a proven record and good reputation.



MLN -- 106

The material contained herein is for information purposes only and it is not to be construed as an offer or solicitation for the sale or purchase of securities and/or commodity futures contracts. While the information in this publication cannot be guaranteed, it was obtained from sources believed to be reliable. ScotiaMcLeod Inc. and/or its officers, directors and employees may from time to time acquire, hold or sell a position in the securities and/or commodities or commodity futures contracts mentioned herein. ScotiaMcLeod Inc. is a member of The Securities Association.

A new copper/gold company that needs to be watched**Current price US\$4.20**

During the last 18 months or so we have consistently advised the purchase of base metal mining companies and stressed that they were, generally speaking, undervalued when compared to pure gold mining situations. Ideally, for the longer term, we have suggested companies which produce both base and precious metals in the belief that earnings would be smooth over time and that eventually, the base metal mining sector would be rerated upwards. We have also pointed out that during the last few years few major base metal ore reserves have been found because most companies have concentrated on gold exploration. In this regard, Continental Gold Corp are of interest in that their Mount Milligan project combines both gold and copper. The project, which is owned 70% by Continental Gold Corp and 30% by BP Resources Canada Ltd is located in British Columbia near Fort St James.

The company currently states that reserves total 200m tons grading 0.025 oz of gold/ton and 0.3% copper. On their current projections, the mine could be started up by the end of 1992 at a capital cost of C\$230m. The company's provisional plans are for a 13m ton/annum operation which would give a 15-year life. Their projections are for an annual production of 278,000 oz of gold and 64m lbs of copper. In order to put this proposed operation into perspective the tables below compare it with Bougainville, Gibraltar and Freeport Copper.

Table 1 Some comparative ore reserve statistics					
	Reserve tonnage (mt)	Copper Grade (%)	Contained (mt)	Gold Grade (oz/t)	Contained (m ozs)
Bougainville	710	0.40	2.84	0.015	10.65
Gibraltar	360	0.37	1.33	-	-
Freeport Copper	196	1.59	3.12	0.035	6.86
Continental Gold*	200	0.30	0.60	0.025	5.00

* geologic reserve

Table 2 Some comparative financial statistics					
	Number of shares (m)	Share price (US\$)	Market cap (\$m)	Market cap/ ton copper reserves (\$)	Market cap/ oz gold reserves (\$)
Bougainville	401.0	1.64	658	232	61.3
Gibraltar	12.0	8.00	96	72	-
Freeport Copper	42.6	14 ⁵ / ₈	677	282	53.4
Continental Gold	8.0	4.20	34	56	6.7

It must be remembered that Continental Gold reserve figures are geologic reserves and it will not be until further drilling is completed and a pit design finalised that mineable reserves are ascertained. Nevertheless, on the above rough comparative basis, reserves stand up well. Valuing reserves on a market capitalisation basis shows that both Bougainville and Freeport Copper are similarly rated in terms of copper and gold. However, Gibraltar is valued much less and the reason for this must be to do with costs of production and the fact that there is no gold content in the reserves. Continental Gold compares fairly with Gibraltar on the copper criteria, particularly considering it is at least three years away from production. However, the gold content is not valued very highly at all and, were the mine to produce at its planned levels, then a significant rerating would have to occur in recognition of the mine as a major North American gold producer. For instance, using the much maligned statistic of market capitalisation per annual ounce of production, gives a figure of \$120/oz for Continental Gold. In our Review of North American Gold Shares the lowest such figure for 1992 production was for BIG at \$520/oz.

Clearly therefore, if the Mount Milligan deposit lives up to Continental Gold's expectations, then the company's share price will have to be significantly rerated. Continental Gold deserves close attention and the entrepreneurial investor may well be advised to acquire an early position. Nevertheless, we must advise also that the marketability is currently very limited which can be a negative factor if things do not turn out as planned.

Continental's world-class bid...

Copper with Gold Trim

Two decades ago, B.C. mining and VSE action were **dominated by large tonnage, low-grade copper producers**. That changed in the late 1970s and early 1980s as copper prices sagged, gold prices firmed and gold activity responded to new and innovative technology. Today, with both base and precious metal prices strong, Continental Gold Corp. of Vancouver is rapidly bringing to production a development in central B.C. that could have the best of both worlds and possibly stimulate a renaissance in B.C.'s ahead-slow mining market.

The backdrop for base metals in recent years in B.C. as elsewhere has been dismal. Canadian copper reserves, due to the lack of incentives in world markets, have dipped by 24% in the past five years, and, as a result, **B.C. copper output is expected to decline 60%** in the next decade, despite the fact that the current surge in world copper demand is projected to increase at a rate of 1.5% per annum, perhaps for the next decade.

Mt. Milligan, a property close to Prince George, looks like **an exception to the rule** in declining B.C. base metal reserves. The project is a bulk-tonnage low-grade gold-copper deposit owned 70% by **Continental Gold Corp.** and 30% by BP Resources Canada.

The power behind the play is **Continental Gold Corp.** of Vancouver. Continental is controlled by Robert Hunter and Robert Dickinson, the pair who successfully guided North American Metals to its ultimate takeover by Homestake Mining Company.

Although he has a long history as a mining entrepreneur, Hunter first rose to prominence as one of the team that parlayed **Breakwater Resources**, a VSE company, into an outstanding gold pro-

ducer near Wenatchee, Washington. Hunter served as president of Breakwater, and then chairman, until October, 1988. He remains a director.

Joining forces with Dickinson, an outstanding geologist, Hunter developed the **North American Metals** Golden Bear project near Dease Lake, B.C. They subsequently accepted a takeover offer from **Homestake Mining Company of San Francisco**, which acquired a 73% equity position. Since that event, Hunter and Dickinson **have now turned their attention to Continental Gold Corp.** and the Mt. Milligan polymetallic copper-gold orebody.

The Mt. Milligan property has a relatively short history. **BP Resources Canada** staked the property from regional work and optioned it to a junior called United Lincoln. The polymetallic potential was recognized by United Lincoln management, who signed a joint venture with BP in 1986. In late 1988, the original bulk tonnage type mineralization was discovered by a 31 hole program which outlined 20 million tons of ore of sufficient grade to contain 500,000 ounces of gold. At that point Continental Gold merged with United Lincoln.

Management recognizes that a great deal of work remains to bring the property to the feasibility stage, but the commitment has been made to such a program. The objective, according to Dickinson, is to **build reserve inventory to the 200 million ton level**, and then follow with bulk sampling, metallurgical, engineering and environmental studies and, thereafter, a feasibility report.

"The impressive feature at Mt. Milligan," says Tony Garson, senior mining analyst with Continental Securities in Vancouver, "in addition to the fact that it is

attractive because of the copper-gold content, is that each step-out drill hole is proving up substantial additional tonnage."

Adrian Day, of the widely-read Investment Analyst, recently commented on Mt. Milligan as follows: "Despite our cautious approach to the markets, a new recommendation, Continental Gold, has everything we look for in a junior gold: management (the team behind the successful Breakwater and North American Metals) money (\$1 cash per share in the bank); major partners (British Petroleum on their property and Homestake as an 8% shareholder), and **a major discovery in British Columbia.**

Just how good is Mt. Milligan? **World-class, by all indications.** Since the mineralization is open in all directions, an ongoing drilling program is outlining tonnage around a circular, disseminated sulphide system, which measures two miles in circumference. Drilling of the zone so far has outlined a gold-copper zone that reaches 4000 feet along strike and as much as 2500 feet in width. That zone has demonstrated vertical continuity to at least 850 feet.

While gold is disseminated throughout the ore zone, gold grades escalate dramatically toward the southern end of the zone. Gold grades are in the 0.02 - 0.04 oz gold/ton range, and copper approximates 0.30 - 0.50%. **Potential tonnage, the second dimension of any orebody, is expected to exceed 200 million tons.**

A comparison with two operating B.C. open pit mines reveals something of the Mt. Milligan potential: Brenda Mines operates at a payable metals rate of \$6.90 per ton milled; Gibraltar, \$6.70. A projected figure for Mt. Milligan is \$16.40 per ton.

The secret, of course is the gold-copper mix, and the favourable current price for both. Dickinson points out that, while several large gold mines are now in operation profitably in Nevada and Montana operating at grades similar to those of the Mt. Milligan property. When those gold grades are compounded with the bulk tonnage copper, a highly profitable orebody can be expected over the **currently projected 15+ year life** of the mine. And the polymetallic nature of the operation would be a two-way hedge over fluctuations in either base or precious metal prices - more so than any existing B.C. base metal mine. Likely, the operation at **its expected capacity of 35,000 tons per day** would be able to withstand a dip in the copper market as low as that of the mid 1980s.

In addition to tonnage, grades and its combined gold-copper content, **the Continental project has other operating advantages.** Location and infrastructure are two of them.

60 kilometers north of Fort St. James and 45 kilometres west of MacKenzie, Mt. Milligan is located on a major logging road and both of the adjacent towns are serviced by railroad and power. A skilled work force is present in the immediate area. All of these factors have enabled rapid progress of the development in the work program at moderate cost. The gentle topography of the area and the nature of the deposit suggest a favorable stripping ratio for open pit operations.

"The location is an exciting element in the project," says Dickinson, "and it's one reason **for the high level of interest that most major North American mining firms are showing in the site.**"

And then there's **money in the bank**, not endemic to mosts junior golds. Continental is sitting on a \$4 million bank balance following a private placement with **European banks and Homestake Mining Co.**

Hunter and Dickinson are confident that the future of Mt. Milligan will not only be that of **one of Canada's largest mining ventures**, but will see a keystone project that could rejuvenate the sagging fortunes not only of mining in B.C., but of the Vancouver Stock Exchange, just as the home-run performance of the big base metal producers did in the late 1960s and the junior golds repeated a decade later.

They will be right if the old adage about successful mines is true: what's needed is management, money and an orebody. Setting aside its first-class partners, Continental Gold has all three of those assets in its Mt. Milligan property. **Money in the bank, gold and copper in the ground and a pair of achievers with a track record like Northern Dancer.**

WRIGHT ENGINEERS LIMITED



Phone (604) 684-9371 • Fax (604) 687-6130 • Telex 04-54367

1444 Alberni Street, Vancouver, British Columbia, Canada, V6G 2Z4

Project 998-413

April 13, 1989

Mr. Jeff Franzen P. Eng.
Vice President, Engineering
Continental Gold Corp.
Suite 1020 - 800 W. Pender Street
Vancouver, B.C.
V6C 2V6

Dear Jeff,

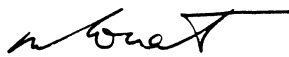
This document is conceptual in nature. The report contains an analysis of the Mt. Milligan Project using data provided to Wright Engineers by Continental Gold Corp. Wright Engineers has calculated cashflows using this information.

This project has been analysed using a discounted cashflow approach. This method of analysis requires projecting yearly cash inflows or revenue, and subtracting yearly cash outflows such as operating costs, capital costs and taxes and discounting the difference back to the date of the analysis. Each of the components of the cashflow is discussed below, followed by a tabulated and graphical summary of the results. The cashflow analysis is also attached.

Should you have any questions or comments please do not hesitate to contact me.

Yours very truly,

WRIGHT ENGINEERS LIMITED



RM:srm
Encl.

Robert Mouat
Manager Valuations

Mt. Milligan Project

Data and Assumptions

1.0 Reserves

200,000,000 tons

1.1 Milling Rate

13,000,000 tons per year

1.2 Grades

<u>Copper</u>	<u>Gold</u>
0.30%	0.025 oz/ton

1.3 Recovery

Copper	85%
Gold	90%

1.4 Concentrate Grade

Copper	28% (8% moisture)
--------	-------------------

1.5 Smelter Terms

Copper	deduct 1 unit treatment U.S.\$60/SDT refining U.S.\$0.085/lb
Gold	pay for 95%

1.6 Freight

U.S.\$50 /SWT

1.7 Metal Prices (base case)

Copper U.S.\$1.00 /lb

Gold U.S.\$400 /oz

1.8 Exchange Rate

\$0.82 U.S./CAN

1.9 Operating Cost

35,000 Tons per Day
(13 million tpy) \$5.00/ton

1.10 Capital Cost

35,000 Tons per Day
(13 million tpy) \$230 million

Mt. Milligan Project

13 million tpy

13 million tons	Rate of Return (%)	Payback Period (Years)	Net Present Value (millions \$) at discount rates of			
			0%	5%	10%	15%
Base Case(Cu \$1.00/Au \$400)	31.3	1.9	890.9	504.1	291.2	166.5
Copper \$1.20 Gold \$450	37.2	1.7	1138.7	658.8	394.4	239.3
Copper \$1.00 Gold \$450	34.6	1.8	1026.4	588.7	347.6	206.3
Copper \$0.80 Gold \$450	31.8	1.9	911.3	516.9	299.7	172.5
Copper \$1.20 Gold \$400	34.0	1.8	1003.2	574.2	337.9	199.5
Copper \$1.00 Gold \$400	31.3	1.9	890.9	504.1	291.2	166.5
Copper \$0.80 Gold \$400	28.1	2.2	774.2	430.8	241.8	131.4
Copper \$1.20 Gold \$350	30.7	2.0	867.2	489.3	281.2	159.4
Copper \$1.00 Gold \$350	27.6	2.3	753.9	418.0	233.2	125.3
Copper \$0.80 Gold \$350	24.3	2.7	638.6	345.4	184.3	90.3
Capital +15%	27.7	2.3	872.5	484.1	270.5	145.7
-15%	35.6	1.8	907.6	522.4	310.1	185.7
Operating +15%	28.9	2.1	802.2	448.4	253.8	139.9
-15%	33.4	1.8	978.4	558.8	327.6	192.2
Grade +15%	37.0	1.7	1130.2	653.5	390.8	236.8
-15%	24.6	2.7	650.1	352.7	189.2	93.8

WELOFF FINANCIAL SYSTEM

89/ 4/13

***** MT. MILLIGAN:CASE 2: 13 MILLION TPY, CU \$1.00, AU \$400 *****

CASHFLOW SUMMARY - PAGE 1

\$ MILLION CAN.

	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
ORE MILLED (MILLION T)	0.000	0.000	0.000	13.000	13.000	13.000	13.000	13.000	13.000	13.000	13.000
ORE GRADE: COPPER (%)	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300
:GOLD (OZ/T)	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025
RECOVERY: COPPER (%)	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0
:GOLD (%)	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0
COPPER CONCENTRATE (000'S SDT)	0.0	0.0	0.0	118.4	118.4	118.4	118.4	118.4	118.4	118.4	118.4
PAYABLE : COPPER (000'S LBS)	0	0	0	63932	63932	63932	63932	63932	63932	63932	63932
:GOLD (000'S OZ)	0.0	0.0	0.0	277.9	277.9	277.9	277.9	277.9	277.9	277.9	277.9
COPPER PRICE (US\$/LB)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
GOLD PRICE (US\$/OZ)	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00
COPPER REVENUE (US\$ MILLIONS)	0.000	0.000	0.000	63.932	63.932	63.932	63.932	63.932	63.932	63.932	63.932
GOLD REVENUE (US\$ MILLIONS)	0.000	0.000	0.000	111.150	111.150	111.150	111.150	111.150	111.150	111.150	111.150
TOTAL GROSS REVENUE	0.000	0.000	0.000	175.082	175.082	175.082	175.082	175.082	175.082	175.082	175.082
-COPPER SMELTING (\$60/SDT)	0.000	0.000	0.000	7.104	7.104	7.104	7.104	7.104	7.104	7.104	7.104
-COPPER TREATMENT (\$.085/LB)	0.000	0.000	0.000	5.434	5.434	5.434	5.434	5.434	5.434	5.434	5.434
-TRANSPORTATION (\$50/SWT)	0.000	0.000	0.000	6.434	6.434	6.434	6.434	6.434	6.434	6.434	6.434
NET MINEGATE REVENUE (MILLION US	0.000	0.000	0.000	156.110	156.110	156.110	156.110	156.110	156.110	156.110	156.110
X EXCHANGE RATE	1.220	1.220	1.220	1.220	1.220	1.220	1.220	1.220	1.220	1.220	1.220
NET MINEGATE REVENUE (MILLION CA	0.000	0.000	0.000	190.378	190.378	190.378	190.378	190.378	190.378	190.378	190.378
-OPERATING COST	0.000	0.000	0.000	65.000	65.000	65.000	65.000	65.000	65.000	65.000	65.000
-FEDERAL INCOME TAX	0.000	0.000	0.000	0.000	3.425	26.329	26.329	26.329	26.329	26.329	26.329
-PROVINCIAL INCOME TAX	0.000	0.000	0.000	0.000	2.439	17.553	17.553	17.553	17.553	17.553	17.553
-MINING TAX	0.000	0.000	0.000	0.000	1.307	15.986	15.986	15.986	15.986	15.986	15.986
CASH FLOW BEFORE CAPITAL COSTS	0.000	0.000	0.000	125.378	118.207	65.510	65.510	65.510	65.510	65.510	65.510
-MINE CAPITAL	20.000	40.000	40.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
-MILL CAPITAL	0.000	65.000	65.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
-WORKING CAPITAL REQUIRED	0.000	0.000	0.000	7.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
+WORKING CAPITAL RECOVERY	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL CAPITAL COSTS	20.000	105.000	105.000	7.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
NET EQUITY CASH	-20.000	-105.000	-105.000	118.378	118.207	65.510	65.510	65.510	65.510	65.510	65.510
ACCUMULATIVE TOTAL	-20.000	-125.000	-230.000	-111.622	6.585	72.095	137.605	203.115	268.625	334.135	399.645
DISCOUNTED NCF (5.0 %)	-20.000	-100.000	-95.238	102.259	97.249	51.329	48.885	46.557	44.340	42.228	40.217
DISCOUNTED NCF (10.0 %)	-20.000	-95.455	-86.777	88.939	80.737	40.677	36.979	33.617	30.561	27.783	25.257
DISCOUNTED NCF (15.0 %)	-20.000	-91.304	-79.395	77.835	67.585	32.570	28.322	24.628	21.415	18.622	16.193
DISCOUNTED NCF (20.0 %)	-20.000	-87.500	-72.917	68.506	57.006	26.327	21.939	18.283	15.236	12.696	10.580
RATE OF RETURN (%)	31.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CONTINENTAL CASHFLOW BEFORE TAX	-14.000	-73.500	-73.500	82.865	87.765	87.765	87.765	87.765	87.765	87.765	87.765
CONTINENTAL CASHFLOW AFTER TAX	-14.000	-73.500	-73.500	82.865	82.745	45.857	45.857	45.857	45.857	45.857	45.857

WELOFF FINANCIAL SYSTEM

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***** MT. MILLIGAN:CASE 2: 13 MILLION TPY, CU \$1.00, AU \$400 *****

CASHFLOW SUMMARY - PAGE 1

\$ MILLION CAN.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	ACCUM
ORE MILLED (MILLION T)	13.000	13.000	13.000	13.000	13.000	13.000	13.000	5.000	0.000	200.000
ORE GRADE:COPPER (%)	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300	0.300
:GOLD (OZ/T)	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025
RECOVERY:COPPER (%)	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0	85.0
:GOLD (%)	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0	90.0
COPPER CONCENTRATE (000'S SDT)	118.4	118.4	118.4	118.4	118.4	118.4	118.4	45.5	0.0	1821.4
PAYABLE :COPPER (000'S LBS)	63932	63932	63932	63932	63932	63932	63932	24589	0	983571
:GOLD (000'S OZ)	277.9	277.9	277.9	277.9	277.9	277.9	277.9	106.9	0.0	4275.0
COPPER PRICE (US\$/LB)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
GOLD PRICE (US\$/OZ)	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00
COPPER REVENUE (US\$ MILLIONS)	63.932	63.932	63.932	63.932	63.932	63.932	63.932	24.589	0.000	983.571
GOLD REVENUE (US\$ MILLIONS)	111.150	111.150	111.150	111.150	111.150	111.150	111.150	42.750	0.000	1710.000
TOTAL GROSS REVENUE	175.082	175.082	175.082	175.082	175.082	175.082	175.082	67.339	0.000	2693.571
-COPPER SMELTING (\$60/SDT)	7.104	7.104	7.104	7.104	7.104	7.104	7.104	2.732	0.000	109.286
-COPPER TREATMENT (\$.085/LB)	5.434	5.434	5.434	5.434	5.434	5.434	5.434	2.090	0.000	83.604
-TRANSPORTATION (\$50/SWT)	6.434	6.434	6.434	6.434	6.434	6.434	6.434	2.475	0.000	98.991
NET MINEGATE REVENUE (MILLION US)	156.110	156.110	156.110	156.110	156.110	156.110	156.110	60.042	0.000	2401.692
X EXCHANGE RATE	1.220	1.220	1.220	1.220	1.220	1.220	1.220	1.220	1.220	1.220
NET MINEGATE REVENUE (MILLION CA)	190.378	190.378	190.378	190.378	190.378	190.378	190.378	73.222	0.000	2928.892
-OPERATING COST	65.000	65.000	65.000	65.000	65.000	65.000	65.000	25.000	0.000	1000.000
-FEDERAL INCOME TAX	26.329	26.329	26.329	26.329	26.329	26.329	26.329	10.127	0.000	355.834
-PROVINCIAL INCOME TAX	17.553	17.553	17.553	17.553	17.553	17.553	17.553	6.751	0.000	237.378
-MINING TAX	15.986	15.986	15.986	15.986	15.986	15.986	15.986	5.673	0.000	214.794
CASH FLOW BEFORE CAPITAL COSTS	65.510	65.510	65.510	65.510	65.510	65.510	65.510	25.671	0.000	1120.886
-MINE CAPITAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	100.000
-MILL CAPITAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	130.000
-WORKING CAPITAL REQUIRED	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	7.000
+WORKING CAPITAL RECOVERY	0.000	0.000	0.000	0.000	0.000	0.000	0.000	7.000	0.000	7.000
TOTAL CAPITAL COSTS	0.000	0.000	0.000	0.000	0.000	0.000	0.000	-7.000	0.000	230.000
NET EQUITY CASH	65.510	65.510	65.510	65.510	65.510	65.510	65.510	32.671	0.000	890.886
ACCUMULATIVE TOTAL	465.155	530.665	596.175	661.685	727.195	792.705	858.215	890.886	890.886	0.000
DISCOUNTED NCF (5.0 %)	38.302	36.478	34.741	33.087	31.511	30.011	28.582	13.576	0.000	504.115
DISCOUNTED NCF (10.0 %)	22.961	20.874	18.976	17.251	15.683	14.257	12.961	5.876	0.000	291.155
DISCOUNTED NCF (15.0 %)	14.081	12.244	10.647	9.258	8.051	7.001	6.088	2.640	0.000	166.481
DISCOUNTED NCF (20.0 %)	8.817	7.347	6.123	5.102	4.252	3.543	2.953	1.227	0.000	89.520
RATE OF RETURN (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	31.3
CONTINENTAL CASHFLOW BEFORE TAX	87.765	87.765	87.765	87.765	87.765	87.765	87.765	38.656	0.000	1189.224
CONTINENTAL CASHFLOW AFTER TAX	45.857	45.857	45.857	45.857	45.857	45.857	45.857	22.870	0.000	623.620

**MAJOR CANADIAN GOLD MINES
RANKED BY ANNUAL PRODUCTION ***

	OUNCES AU/YEAR
PAGE-WILLIAMS	378,943
GOLDEN GIANT	336,700
DOYON	278,314
MT. MILLIGAN	278,000
CAMPBELL	239,102
DAVID BELL	218,333
LUPIN	202,440
DOME	109,890
BOUSQUET #1	95,100
CON	78,000
MACASSA	76,750
HOPE-BROOK	73,993

*** 1988 PRODUCTION FIGURES**

**NORTH AMERICAN GOLD PRODUCERS
RANKED BY GOLD RESERVES**

	ORE RESERVES (000 OZ. AU)	MARKET CAP. (MM \$US)
PLACER DOME	24,287	2,992
AMERICAN BARRICK	17,470	1,166
NEWMONT GOLD	16,373	3,147
ECHO BAY	13,349	1,348
HOMESTAKE	11,395	1,170
HEMLO	7,071	971
CORONA CORP.	6,988	938
CONTINENTAL GOLD	6,000	58
BOND INTERNATIONAL	5,893	374
TECK CORP.	5,226	1,380
LAC MINERALS	4,137	911
BATTLE MOUNTAIN	3,539	869
AMAX GOLD	3,135	675
CONTINENTAL GOLD	2,800	58
PEGASUS	2,720	230
FMC	2,626	573
FREEPORT	2,519	461
CAMBIOR	2,060	245
GALACTIC	1,332	110

* Gold Equivalent: 4,000,000 oz. gold
plus 1.2 billion lbs. copper

**NORTH AMERICAN GOLD PRODUCERS
RANKED BY ANNUAL PRODUCTION**

	ANNUAL GOLD PRODUCTION (000 OZ)	MARKET CAP. (MM \$US)
NEWMONT GOLD	1,317	3,147
PLACER DOME	1,206	2,992
HOMESTAKE	860	1,170
ECHO BAY	704	1,348
CORONA CORP.	595	938
BOND INTERNATIONAL	492	374
AMERICAN BARRICK	445	1,166
HEMLO	429	971
AMAX GOLD	359	675
TECK CORP.	351	1,380
LAC MINERALS	338	911
BATTLE MOUNTAIN	337	869
FMC GOLD	317	573
PEGASUS GOLD	299	230
FREEPORT GOLD	267	461
CONTINENTAL GOLD CORP.	195	58
GIANT YELLOWKNIFE	185	96
CAMBIOR	171	245
GALACTIC	139	110
AGNICO EAGLE	116	109

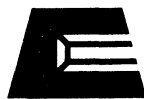
**NORTH AMERICAN GOLD PRODUCERS
RANKED BY COST OF GOLD PRODUCTION**

	OPERATING COST (US \$/OZ AU)	MARKET CAP. (MM \$US)
CONTINENTAL GOLD CORP.	30*	58
HEMLO GOLD	132	971
BATTLE MOUNTAIN	155	869
PLACER DOME	192	2,992
NEWMONT GOLD	195	3,147
CONTINENTAL GOLD CORP.	210**	58
TECK CORP.	210	1,380
BOND INTERNATIONAL	211	374
CORONA CORP	226	938
ECHO BAY	235	1,348
GALACTIC	237	110
PEGASUS	240	230
CAMBIOR	250	245
LAC MINERALS	254	911
AMERICAN BARRICK	280	1,166
HOMESTAKE	305	1,170

* After copper credit at US \$1.00 per pound

** Based on revenue received for copper and gold

- Copper cost \$0.50 per pound
- Gold cost \$210 per ounce



N E W S R E L E A S E

MARCH 29, 1989

CONVENTIONAL MILLING RECOVERS 94.7% OF GOLD AND 91.6% OF COPPER AT MT. MILLIGAN

Robert G. Hunter, Chairman of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ) is pleased to announce that metallurgical test results for conventional cyanidation and flotation of Mt. Milligan ore demonstrate high levels of recovery for gold and copper. Initial test results gave recoveries of 94.7% for gold and 91.6% for copper. Test work was completed on representative drill core composite samples (32 lbs.). Results show that by using standard, low cost processes, gold and copper recoveries will be above industry averages. Further test work will start shortly as part of a full feasibility study to optimize mill and mine design.

The Mt. Milligan project is a recently discovered, world class gold-copper property near Prince George, British Columbia and is a Continental Gold Corp (70%) - BP Resources Canada Limited (30%) joint venture. Continental Gold Corp is operator. On-going drilling is expanding on current contained reserves of 2,500,000 - 3,000,000 ounces of gold and significant copper.

When the Mt. Milligan deposits are completely delineated by further drilling, mining and milling rates will be determined. Preliminary engineering of current results suggests two possible operating scenarios which are summarized as follows:

.../2

CONTINENTAL GOLD CORP.

*Suite 1020 - 800 West Pender St. Vancouver B.C. Canada V6C 2V6
Tel. 604/684.6365 Fax. 604/684.8092*

MT. MILLIGAN MINE DEVELOPMENT MODEL

<u>Mill Rate</u> <u>(Tons/Day)</u>	<u>Ore Grade</u>		<u>% Recovery</u>		<u>Annual Production</u>	
	<u>Gold</u> <u>(oz/ton)</u>	<u>Copper</u> <u>(%)</u>	<u>Gold</u>	<u>Copper</u>	<u>Gold</u> <u>(Ounces)</u>	<u>Copper</u> <u>(Pounds)</u>
1. 25,000	0.025	0.35	94.7	91.6	215,000	60,000,000
2. 35,000	0.025	0.35	94.7	91.6	305,000	83,000,000

Successful development of the Mt. Milligan Project will vault Continental Gold Corp into the position of a leading North American gold producer and in addition a significant copper producer.

ON BEHALF OF THE BOARD



Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

Continental's world-class bid...

Copper with Gold Trim

Two decades ago, B.C. mining and VSE action were **dominated by large tonnage, low-grade copper producers**. That changed in the late 1970s and early 1980s as copper prices sagged, gold prices firmed and gold activity responded to new and innovative technology. Today, with both base and precious metal prices strong, Continental Gold Corp. of Vancouver is rapidly bringing to production a development in central B.C. that could have the best of both worlds and possibly stimulate a renaissance in B.C.'s ahead-slow mining market.

The backdrop for base metals in recent years in B.C. as elsewhere has been dismal. Canadian copper reserves, due to the lack of incentives in world markets, have dipped by 24% in the past five years, and, as a result, **B.C. copper output is expected to decline 60%** in the next decade, despite the fact that the current surge in world copper demand is projected to increase at a rate of 1.5% per annum, perhaps for the next decade.

Mt. Milligan, a property close to Prince George, looks like **an exception to the rule** in declining B.C. base metal reserves. The project is a bulk-tonnage low-grade gold-copper deposit owned 70% by United Lincoln Resources and 30% by BP Resources Canada.

The power behind the play is **Continental Gold Corp.** of Vancouver, which recently acquired 69% of United Lincoln. Continental is controlled by Robert Hunter and Robert Dickinson, the pair who successfully guided North American Metals to its ultimate takeover by Homestake Mining Company.

Although he has a long history as a mining entrepreneur, Hunter first rose to prominence as one of the team that parlayed **Breakwater Resources**, a VSE

company, into an outstanding gold producer near Wenatchee, Washington. Hunter served as president of Breakwater, and then chairman, until October, 1988. He remains a director.

Joining forces with Dickinson, an outstanding geologist, Hunter developed the **North American Metals Golden Bear** project near Dease Lake, B.C. They subsequently accepted a takeover offer from **Homestake Mining Company of San Francisco**, which acquired a 73% equity position. Since that event, Hunter and Dickinson **have now turned their attention to Continental Gold Corp.** and the Mt. Milligan polymetallic copper-gold orebody.

The Mt. Milligan property has a relatively short history. **BP Resources Canada** staked the property from regional work and optioned it to United Lincoln. The polymetallic potential was recognized by United Lincoln management, who signed a joint venture with BP in 1986. In late 1988, the original bulk tonnage type mineralization was discovered by a 31 hole program which outlined 20 million tons of ore of sufficient grade to contain 500,000 ounces of gold.

Management recognizes that a great deal of work remains to bring the property to the feasibility stage, but the commitment has been made to such a program. The objective, according to Dickinson, is to **build reserve inventory to the 200 million ton level**, and then follow with bulk sampling, metallurgical, engineering and environmental studies and, thereafter, a feasibility report.

"The impressive feature at Mt. Milligan," says Tony Garson, senior mining analyst with Continental Securities in Vancouver, "in addition to the fact that it is attractive because of the copper-gold

content, is that each step-out is proving up additional tonnage."

Adrian Day, of the widely-read Investment Analyst, recently commented on Mt. Milligan as follows: "Despite our cautious approach to the markets, a new recommendation, Continental Gold, has everything we look for in a junior gold: management (the team behind the successful Breakwater and North American Metals) money (\$1 cash per share in the bank); major partners (British Petroleum on their property and Homestake as a 10% shareholder), and **what looks to be a major discovery in British Columbia.**

Just how good is Mt. Milligan? **World-class, by all indications.** Since the mineralization is open in all directions, an ongoing drilling program is outlining tonnage around a circular, disseminated sulphide system, which measures two miles in circumference. Drilling of the zone so far has outlined a gold-copper zone that reaches 2500 feet along strike and as much as 1000 feet in width. That zone has demonstrated vertical continuity to at least 850 feet.

While gold is disseminated throughout the ore zone, gold grades escalate dramatically toward the southern end of the zone. Gold grades are in the 0.20 - 0.40 oz gold/ton range, and copper approximates 0.30 - 0.50%. **Potential tonnage, the second dimension of any orebody, is believed to exceed 200 million tons.**

A comparison with two operating B.C. open pit mines reveals something of the Mt. Milligan potential: Brenda Mines operates at a payable metals rate of \$6.90 per ton milled; Gibraltar, \$6.70. A projected figure for Mt. Milligan is \$14.40 per ton, although the figure is just a projection because of the early-stage status of the project.

The secret, of course is the gold-copper mix, and the favourable current price for both. Dickinson points out that, while several large gold mines are now in operation profitably in Nevada and Montana operating at grades similar to those of the Mt. Milligan property. When those gold grades are compounded with the bulk tonnage copper potential, a highly profitable orebody can be expected over **the currently projected 15 year life** of the mine. And the polymetallic nature of the operation would be a two-way hedge over fluctuations in either base or precious metal prices - more so than any existing B.C. base metal mine. Likely, the operation at **its expected capacity of 35,000 tons per day** would be able to withstand a dip in the copper market as low as that of the mid 1980s.

In addition to tonnage, grades and its combined gold-copper deposits, **the Continental project has other operating advantages**. Location and infrastructure are two of them.

60 kilometers north of Fort St. James and 45 kilometres west of MacKenzie, Mt. Milligan is located on a major logging road and both of the adjacent towns are serviced by railroad and power lines. A skilled work force is present in the immediate area. All of these factors have enabled rapid progress in the work program at moderate costs. The gentle topography of the area and the nature of the deposit suggest a favorable stripping ratio for open pit operations.

"The location is an exciting element in the project," says Dickinson, "and it's one reason **for the high level of interest that most major North American mining firms are showing in the site.**"

And then there's **money in the bank**, not endemic to mosts junior golds. Continental is sitting on a \$4 million bank balance following a private placement with **European banks and Homestake Mining Co.**

Hunter and Dickinson are confident that the future of Mt. Milligan will not only be that of **one of Canada's largest mining ventures**, but will see a keystone project that could rejuvenate the sagging fortunes not only of mining in B.C., but of the Vancouver Stock Exchange, just as the home-run performance of the big base metal producers did in the late 1960s and the junior golds repeated a decade later.

They may be right if the old adage about successful mines is true: what's needed is management, money and an orebody. Setting aside its first-class partners, Continental Gold has all three of those assets in its Mt. Milligan property. **Money in the bank, gold and copper in the ground and a pair of achievers with a track record like Native Dancer.**

Provincial Economy to Benefit from Mt. Milligan Copper/Gold Discovery

Continental Gold Corp.'s Mt. Milligan copper/gold discovery appears destined to become British Columbia's next major mine.

When it comes to copper or gold mining in B.C., big is beautiful. Preliminary assessments of potential copper/gold production at the **Mt. Milligan** project suggest that the new discovery could sustain a production rate of 13 million tons per year. According to Price Waterhouse's "Report On Mining In British Columbia," this rate of production would make the project B.C.'s third largest metal mine.

Although the discovery has not yet attracted much interest outside of BC's mining community it has the potential to make a major impact on copper and gold production in B.C. and Canada for many years to come.

Although Mt. Milligan is not as large as the massive Cominco/Teck **Highland Valley Copper** complex (41 million tons annually), it would be similar in size to BHP Utah's **Island Copper** mine (17 million tons per year), Placer Dome's **Gibraltar** mine (13 million tons per year) and Noranda's **Brenda** mine (11 million tons per year).

The most obvious benefit of a mine of this size is the tremendous level of new, long term employment generated in the surrounding area. **Brenda** and **Gibraltar** employ 390 and 300 people respectively.

With an average miner's salary of \$46,550, it is apparent that big mines can result in major benefits to the local and provincial economy.

In addition to every job created at the mine site, some 1.5 more jobs would be created in the region. A project of **Mt. Milligan's** potential size would employ **350 people directly**, and pay wages of about **\$16 million annually at the mine site**. An additional **525 jobs would be created in the Cariboo-Ft. George Economic Region**. The towns of **MacKenzie** and **Fort St. James** and the city of **Prince George** would receive the most benefit from this major new development.

During the last few years, the Cariboo-Ft. George region has benefitted from booming lumber and pulp markets. Unfortunately, it is only a matter of time before the local economy starts to slow down due to a downturn in the forest industry.

The federal and provincial tax base would not only benefit from the increased wages paid in the region, but also from taxes on the **Mt. Milligan** mine's operating profits. The project's profits are estimated at \$70 million per year, resulting in tax payments of about \$26 million annually. It is not surprising that the **Mt. Milligan** project is receiving quiet support from various provincial government departments.

The discovery is well situated to fully utilize the CN rail line to the deep sea port of **Prince Rupert**. Approximately 160,000

tons per year of concentrate could be shipped to Pacific Rim destinations via this route. The new jobs created in the region and the realized expanded freight shipments will no doubt help to compensate the area for the recent disappointing performance of B.C.'s northeastern coal mines.

Venture capital markets in B.C. are already benefitting from the increase in shareholder value created by the expanding reserves at Mt. Milligan.

The 1990's are projected to be a period of declining base metal reserves in British Columbia and in the rest of Canada. The **Mt. Milligan** project will enhance British Columbia's image as a province where large scale, profitable ore bodies can be discovered and developed. The potential for the discovery of additional large copper/gold deposits in the **Mt. Milligan** region is now very high. The presence of new mineral deposits of **Mt. Milligan's** size and quality will send a message to the international mining community. **British Columbia continues to be a world class mineral rich province, ripe for investment.**

February 1989

UNITED LINCOLN RESOURCES INC.

NOVEMBER 18, 1988

NEWS RELEASE

Robert A. Dickinson, President of United Lincoln Resources Inc. (VSE:ULN, NASDAQ:ULNNF) announced today that a 20,000 foot step-out drill program utilizing two drill rigs has begun at the Mt. Milligan Property in central British Columbia 45 kilometres west of Mackenzie. The Project is a joint venture between the Company (69.84%) and BP Resources Canada Limited (30.16%) with United Lincoln as operator. The \$1,200,000 program is designed to delineate the extent of the MBX Bulk Tonnage Gold-Copper Deposit and complete preliminary metallurgical and engineering studies.

A recently completed reconnaissance drill program at Mt. Milligan discovered the MBX gold-copper deposit in altered volcanic rocks adjacent to an alkaline stock. In a report dated September 30, 1988 the Company's consultant - Rebagliati Geological Consulting Ltd. - advised the Company that the MBX zone has significant potential to host a major porphyry gold-copper deposit. A preliminary geological inventory based on 31 NQ diamond drill holes indicates initial reserves in the order of 20,000,000 tons containing over 500,000 ounces of gold plus significant copper. Average gold grades are in the 0.02 - 0.04 ounces per ton range with average copper grades in the 0.30 - 0.50% range.

A follow-up IP and Magnetic survey completed during late October, has confirmed a bulk tonnage configuration for the MBX deposit. The deposit is open to extension in all directions and most holes bottom in gold-copper mineralization. The current drill program calls for holes to be drilled on 100 metre step-outs from the initial reserve area.

.../2

Results recently compiled from the 31 holes in the MBX deposit area are as follows:

<u>HOLE</u>	<u>INTERVAL</u> <u>(feet)</u>	<u>LENGTH</u> <u>(feet)</u>	<u>CU</u> <u>%</u>	<u>AU</u> <u>oz/ton</u>
DDH 87-12	18.0 - 290.7	272.7	0.20	0.015
DDH 87-13	20.0 - 344.4	324.4	0.27	0.018
DDH 87-14	16.1 - 45.9	29.8	0.23	0.009
	324.7 - 337.2	12.5	0.12	0.038
DDH 88-24	44.3 - 328.0	283.7	0.26	0.015
DDH 88-25	18.0 - 317.8	299.8	0.22	0.010
DDH 88-26	20.0 - 300.1	280.1	0.62	0.025
(including)	20.0 - 42.6	22.6	0.66	0.014
	42.6 - 119.4	76.8	0.41	0.020
	119.4 - 300.1	180.7	0.71	0.028
DDH 88-27	lost in overburden			
DDH 88-29	62.0 - 329.9	267.9	0.09	0.069
DDH 88-30	40.0 - 349.9	309.9	0.49	0.018
(including)	40.0 - 98.4	58.4	0.34	0.011
	98.4 - 349.9	251.5	0.52	0.020
DDH 88-31	44.3 - 173.8	129.5	0.79	0.027
	173.8 - 244.7	70.9	post mineral dyke	0.016
	244.7 - 316.5	71.8		
DDH 88-32	24.0 - 329.9	305.9	0.13	0.012
(including)	24.0 - 180.4	156.4	0.13	0.007
	180.4 - 329.9	149.5	0.13	0.017
DDH 88-39	14.8 - 328.0	313.2	0.43	0.015
(including)	14.8 - 123.0	108.2	0.51	0.024
	123.0 - 226.3	103.3	0.36	0.020
	226.3 - 262.4	36.1	post mineral dyke	0.031
	262.4 - 328.0	65.6		
DDH 88-40	51.0 - 336.1	285.1	0.19	0.077

(Cont'd)

<u>HOLE</u>	<u>INTERVAL</u> <u>(feet)</u>	<u>LENGTH</u> <u>(feet)</u>	<u>CU</u> <u>%</u>	<u>AU</u> <u>oz/ton</u>
DDH 88-41	84.0 - 334.1	250.1	0.15	0.059
(including)	84.0 - 266.3	182.3	0.12	0.075
	266.3 - 334.1	67.8	0.23	0.018
DDH 88-42	185.1 - 755.3	570.2	0.28	0.023
(including)	185.1 - 400.8	215.7	0.10	0.019
	400.8 - 455.2	54.4	0.20	0.024
	455.2 - 755.3	300.1	0.42	0.025
DDH 88-43	108.0 - 335.2	227.2	0.13	0.021
(including)	108.0 - 222.0	114.0	0.16	0.026
	222.0 - 323.3	101.3	0.09	0.014
	323.3 - 335.2	11.9	0.22	0.031
DDH 88-44	80.0 - 347.2	267.2	0.16	0.043
(including)	80.0 - 300.5	220.5	0.17	0.050
	300.5 - 347.2	46.7	0.10	0.010
DDH 88-45	64.0 - 372.0	308.0	0.18	0.021
(including)	64.0 - 110.0	46.0	0.15	0.019
	110.0 - 197.3	87.3	0.11	0.011
	197.3 - 372.0	174.7	0.22	0.026
DDH 88-46	14.0 - 280.1	266.1	0.11	0.008
DDH 88-47	10.0 - 295.2	285.2	0.10	0.010
DDH 88-48	55.0 - 348.1	293.1	0.41	0.022
(including)	55.0 - 183.9	128.9	0.30	0.024
	183.9 - 260.0	76.1	0.45	0.020
	260.0 - 348.1	88.1	0.55	0.020
DDH 88-49	65.0 - 336.5	271.5	0.35	0.017
(including)	65.0 - 298.8	233.8	0.38	0.018
	298.8 - 336.5	37.7	0.19	0.012
DDH 88-50	134.1 - 493.2	359.2	0.35	0.023
DDH 88-51	151.1 - 331.2	180.1	0.25	0.010
DDH 88-52	165.2 - 334.1	168.9	0.28	0.017
DDH 88-53	26.2 - 142.7	116.5	0.17	0.014

(Cont'd)

<u>HOLE</u>	<u>INTERVAL</u> <u>(feet)</u>	<u>LENGTH</u> <u>(feet)</u>	<u>CU</u> <u>%</u>	<u>AU</u> <u>oz/ton</u>
DDH 88-54	241.1 - 324.7	83.6	0.40	0.027
DDH 88-55	123.1 - 355.2	232.1	0.49	0.018
DDH 88-56	143.0 - 315.1	172.1	0.28	0.014
DDH 88-60	43.0 - 503.0	460.0	0.36	0.047
(including)	43.0 - 177.1	134.1	0.20	0.030
	177.1 - 252.5	75.4	0.41	0.023
	252.5 - 503.0	250.5	0.52	0.063

Continued comparable drill results should lead to the development of a leading Canadian gold mine which will in addition produce significant copper.

A fast track program involving infill drilling, bulk sampling, and advanced metallurgical, engineering and environmental studies to provide the technical base for a bankable feasibility study is envisioned to follow the current program.

ON BEHALF OF THE BOARD



Robert A. Dickinson
President

The Vancouver Stock Exchange has neither approved nor disapproved the information contained herein.



N E W S R E L E A S E

March 27, 1989

STEP-OUT DRILLING CONTINUES TO EXPAND RESERVES

Robert A. Dickinson, President of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ) announced today assay results from recently completed drill holes at the Mt. Milligan gold-copper property.

The project is a Continental Gold Corp. (70%)-BP Resources Canada Limited (30%) joint venture. Continental Gold Corp. is the operator. The Project is a world class discovery with current contained reserves of 2,500,000-3,000,000 ounces of gold and significant copper. These reserves are open to expansion.

Three drills are currently at work expanding reserves on wide spaced step-out holes at the MBX gold-copper zone, the adjacent 66 gold zone and the West Breccia copper-gold zone.

These initial bulk tonnage deposits have been located within a large doughnut shaped sulphide system measuring two miles in circumference.

Reported drill results are from widely spaced sites within this system (see Figure 1). Results are:

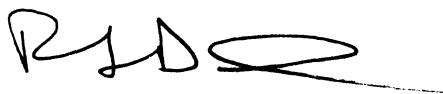
CONTINENTAL GOLD CORP.

Suite 1020 - 800 West Pender St. Vancouver B.C. Canada V6C 2V6
Tel. 604/684.6365 Fax. 604/684.8092

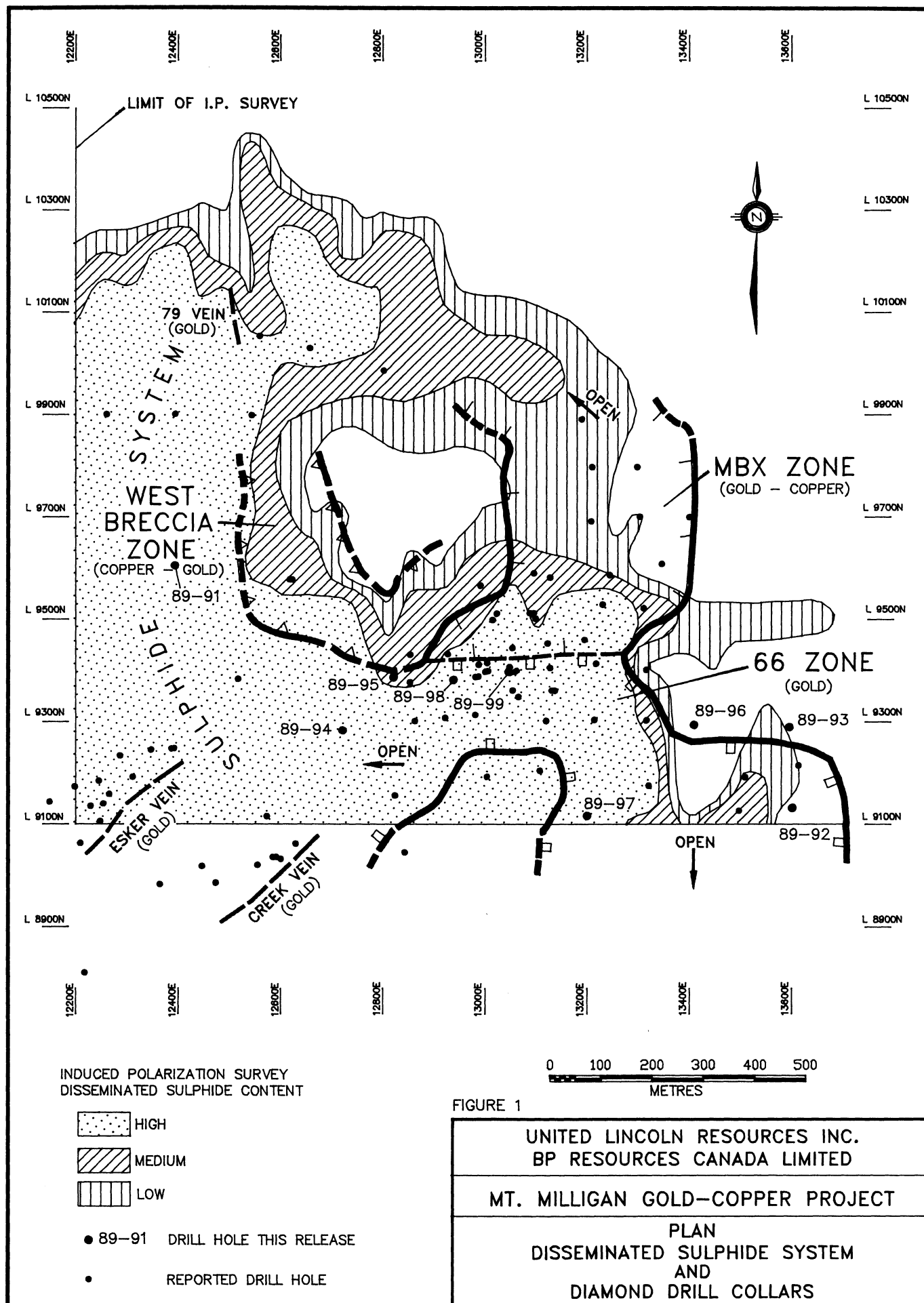
Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Interval (Feet)	Copper %	Gold oz/ton
				From	To			
89-91	267	-45	506.8	195.5	303.1	107.6	0.33	0.014
89-92	265	-45	1053.2 (including)	260.8	1053.2	792.4	0.02	0.028
				419.8	971.2	551.4	0.02	0.039
				610.1	971.2	361.1	0.02	0.052
89-93	268	-45	1134.9	191.9	1134.9	943.0	anomalous values	
89-94	269	-45	496.9	105.0	352.6	247.6	0.17	0.020
89-95	272	-45	707.8	22.0	367.4	345.4	0.20	0.015
89-96	262	-44	971.9	30.8	971.9	941.1	anomalous values	
89-97	280	-43	796.7	32.1	184.3	152.2	0.24	0.006
89-98	270	-71	567.4 (including)	12.1	567.4	555.3	0.31	0.012
				12.1	255.8	243.7	0.61	0.022
89-99	272	-69	1016.8	23.9	688.8	664.9	0.31	0.024

The success ratio of results from the on-going step-out drill program is unprecedented. Untested gold-copper soil anomalies extend 5000 feet south and west of the current "66" zone drill area (see Figure 2). On-going delineation drilling and preliminary engineering for a major open pit gold-copper development are in progress. Initial metallurgical test work shows excellent recoveries for both gold and copper.

ON BEHALF OF THE BOARD


Robert A. Dickinson
President

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.



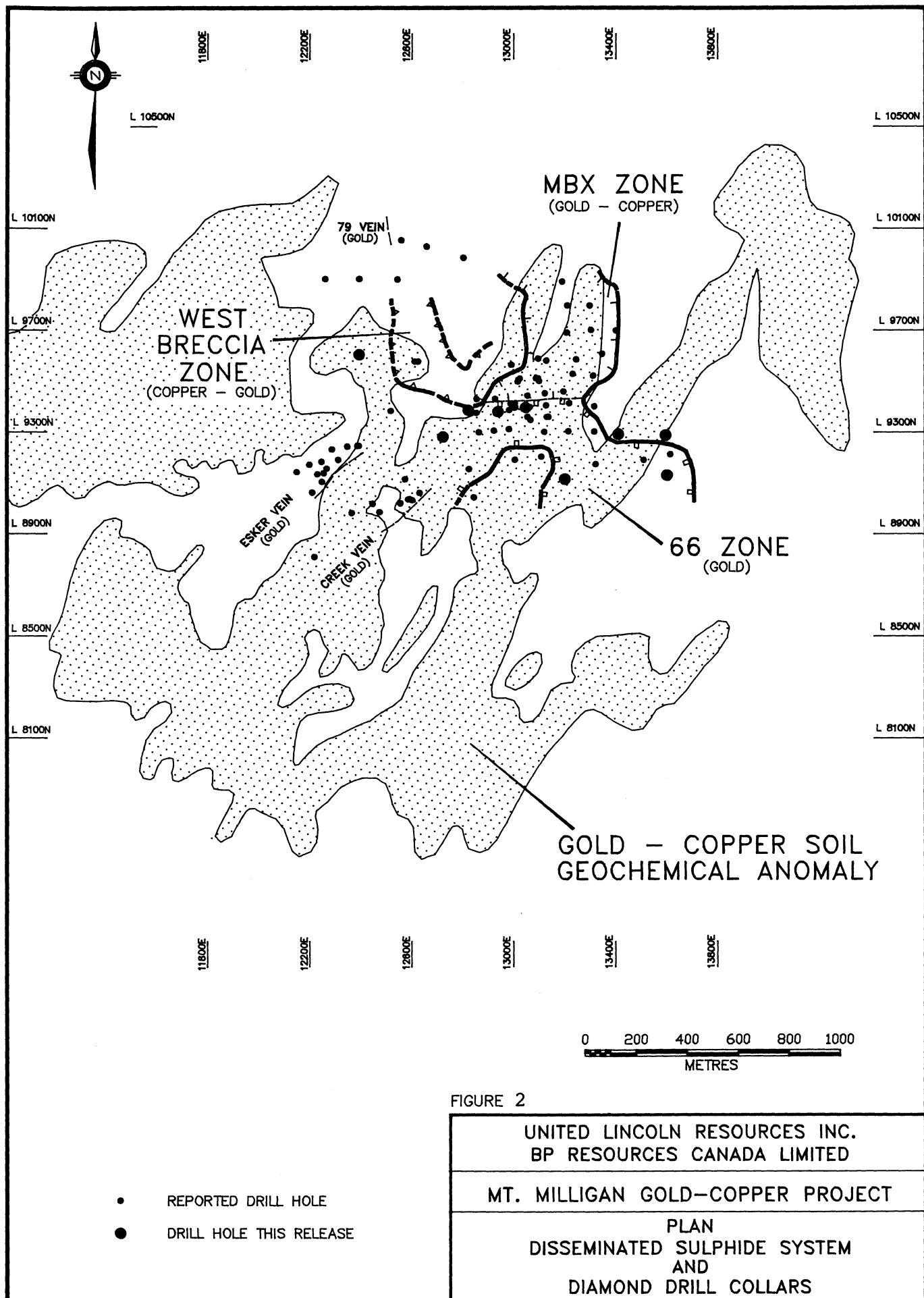


FIGURE 2



N E W S R E L E A S E

MARCH 16, 1989

Robert G. Hunter, Chief Executive Officer of Continental Gold Corp. is pleased to announce the completion of the amalgamation with its subsidiary, United Lincoln Resources Inc. Shares of the amalgamated company, with the name Continental Gold Corp. are trading on the Vancouver Stock Exchange under symbol **CNT** and on the NASDAQ quotation system under symbol **CNT:VF**. With unencumbered working capital of over \$3,000,000 Continental Gold Corp. will aggressively develop its Mt. Milligan gold-copper project.

The Mt. Milligan gold-copper project is a Continental Gold Corp. (70%) BP Resources Canada Limited (30%) joint venture. Continental Gold Corp. is the operator. The Project is a world class discovery with current contained gold reserves of 2,000,000-3,000,000 ounces. Delineation drilling and preliminary engineering for a major open pit gold development are in progress.

ON BEHALF OF THE BOARD

Robert G. Hunter
Chief Executive Officer

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

CONTINENTAL GOLD CORP.

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UNITED LINCOLN RESOURCES INC.
1020-800 W. PENDER STREET
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MARCH 13, 1989

NEWS RELEASE

ANOTHER DEPOSIT DISCOVERED AT MT. MILLIGAN

Robert G. Hunter, Chairman of Continental Gold Corp. (CUG:V) and United Lincoln Resources Inc. (ULN:V, ULNNF:NASDAQ) announced today that results from drill hole 89-90 confirm that a significant copper-gold deposit is probable in the area of hole 89-87 announced earlier. The new discovery has major tonnage potential and is called the West Breccia Zone. It lies 1,500 feet west of the MBX Gold-Copper Zone, on the west side of a circular sulphide system measuring 2 miles in circumference.

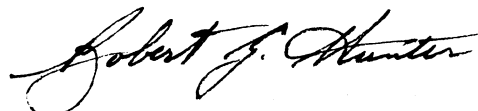
Assay results are:

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet) From	To	Intercept (Feet)	Copper %	Gold oz/ton
89-90	093	-45	496.9	54.0	496.9	442.9	0.33	0.005
			(including)	137.8	426.4	288.6	0.44	0.006

Step out drilling is continuing at the West Breccia Copper-Gold Zone, the MBX Gold-Copper Zone and the 66 Gold Zone.

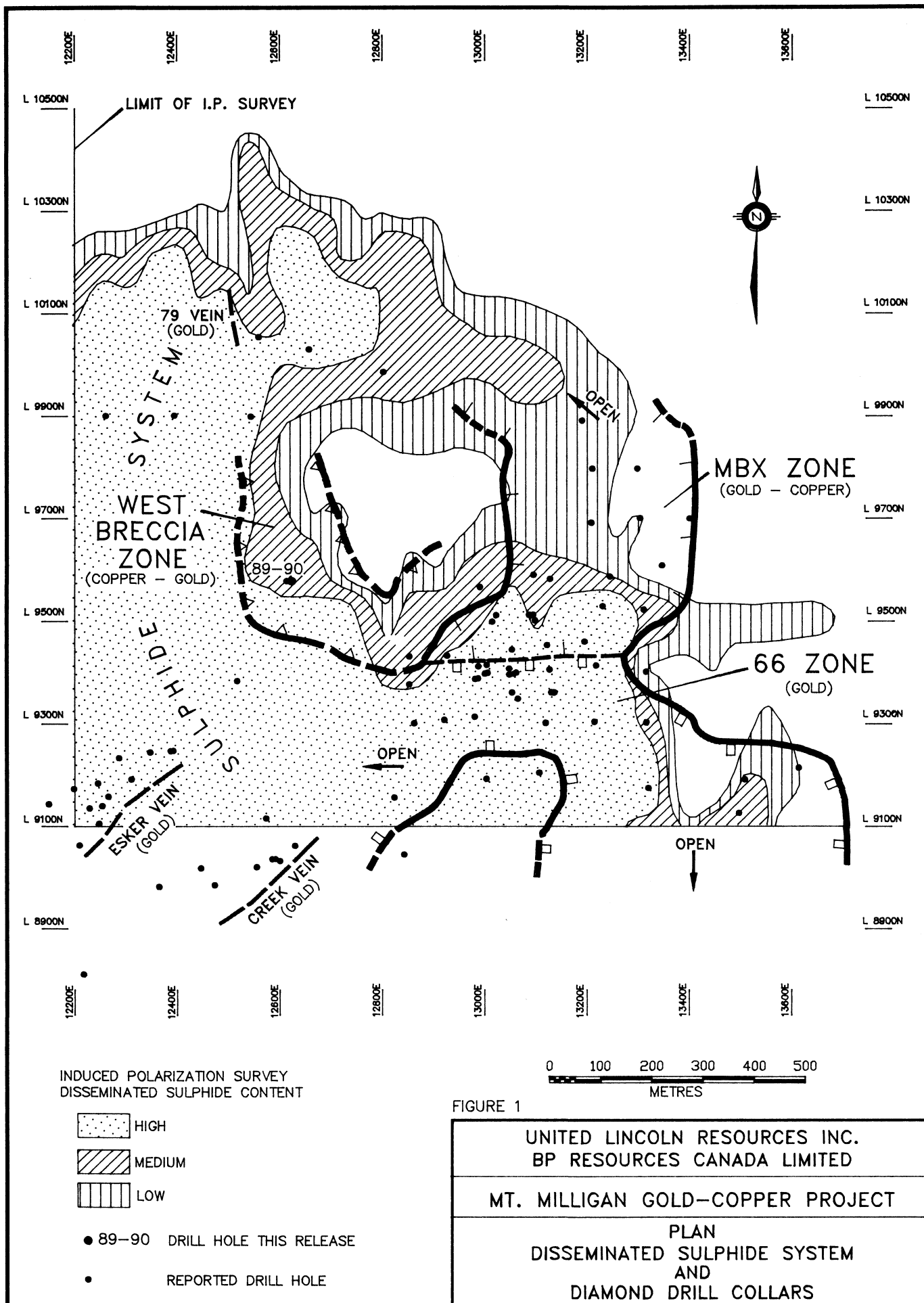
The shareholders of United Lincoln and its parent Continental Gold Corp. have approved the amalgamation of the two companies. Regulatory approval is expected on Wednesday, March 15, 1989. The amalgamated entity will continue to be called Continental Gold Corp. with the new trading symbol (CNT:V).

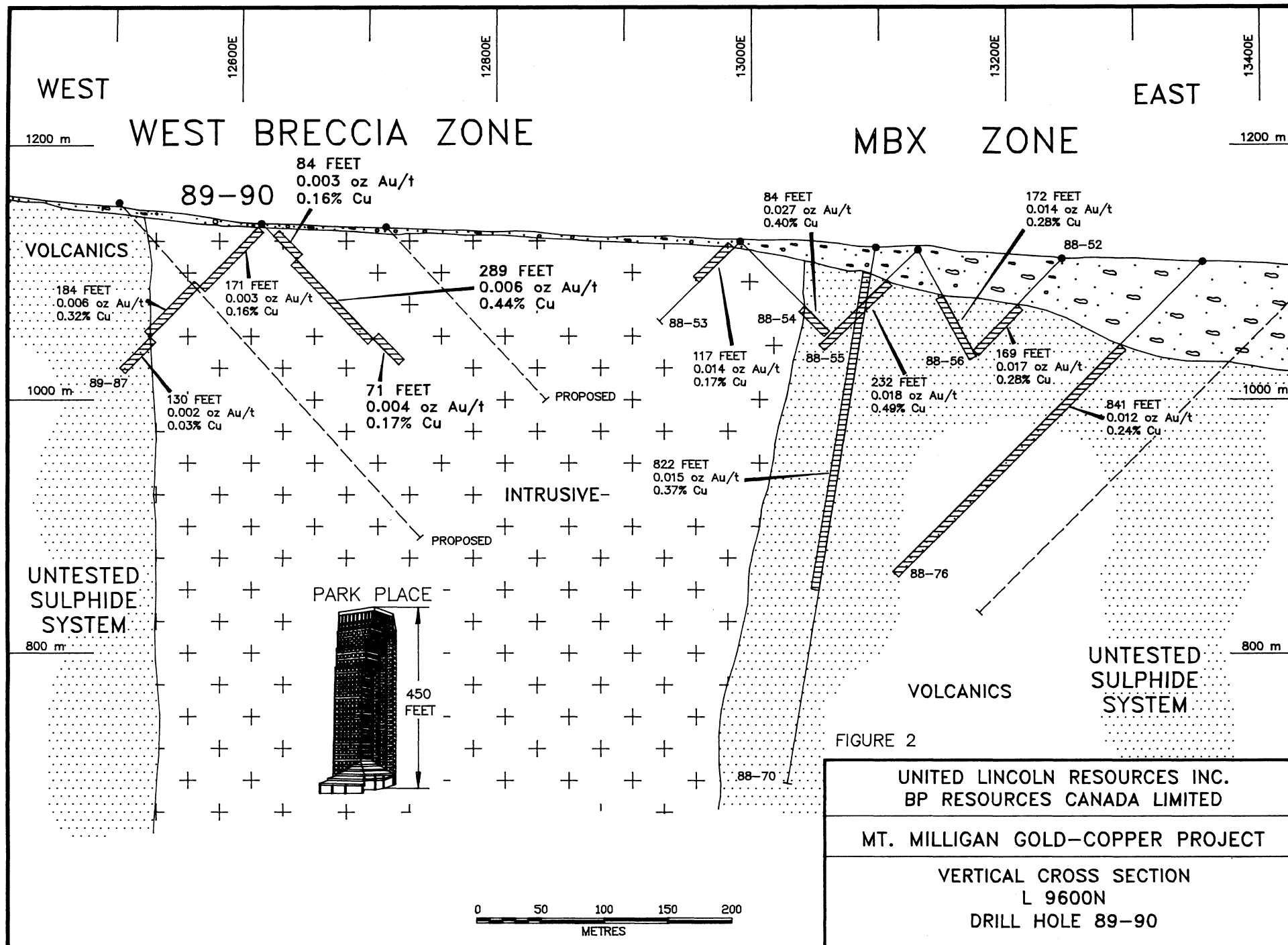
ON BEHALF OF THE BOARD



Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.





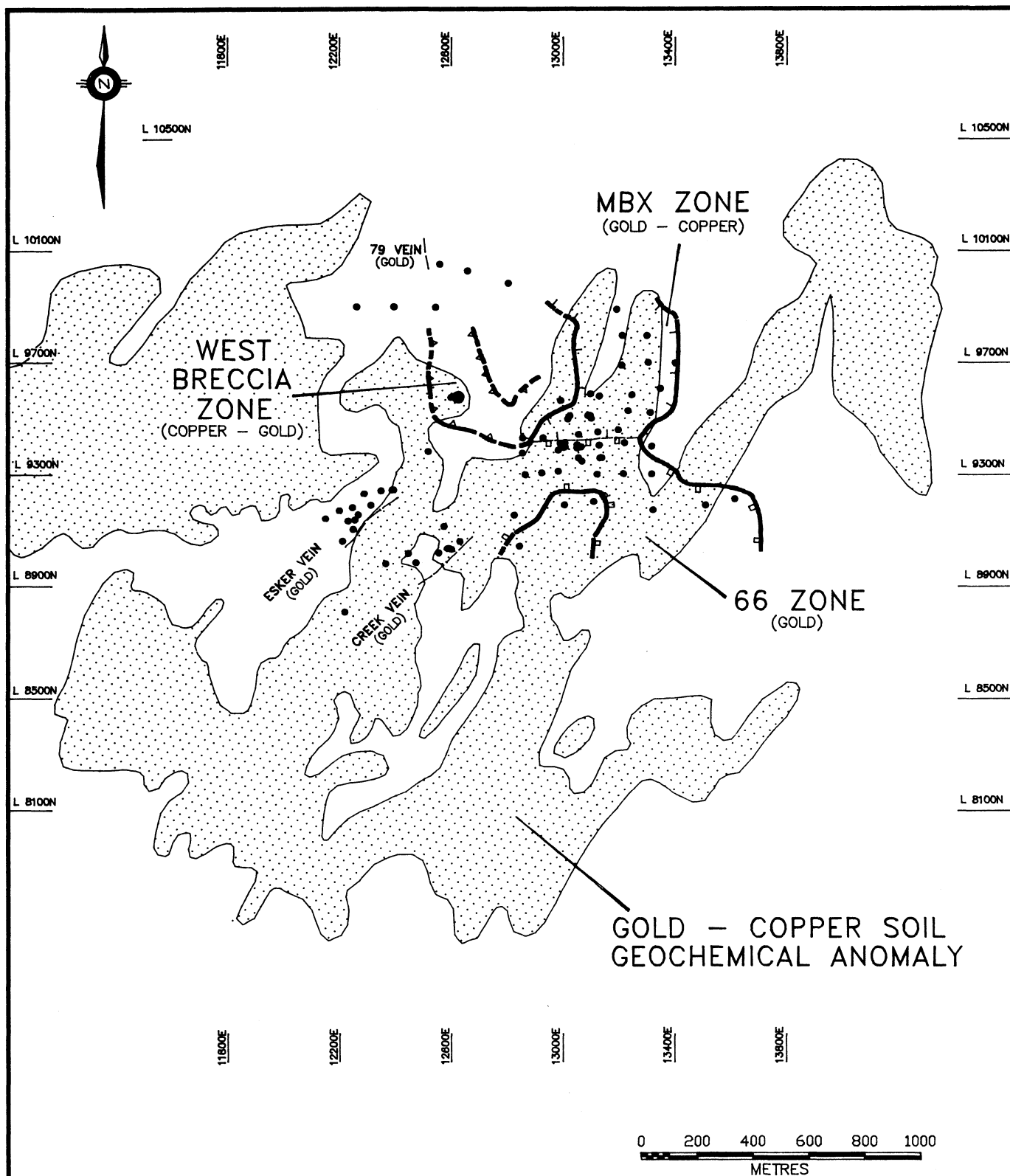


FIGURE 3

UNITED LINCOLN RESOURCES INC.
BP RESOURCES CANADA LIMITED

MT. MILLIGAN GOLD-COPPER PROJECT

PLAN
DISSEMINATED SULPHIDE SYSTEM
AND
DIAMOND DRILL COLLARS

- REPORTED DRILL HOLE
- DRILL HOLE THIS RELEASE

CONTINENTAL GOLD CORP
1020-800 W. PENDER STREET
VANCOUVER, B.C.
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UNITED LINCOLN RESOURCES INC.
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(604) 684-6365

MARCH 6, 1989

NEWS RELEASE

SUCCESSFUL DRILLING CONTINUES AT MT. MILLIGAN

Robert G. Hunter, Chairman of Continental Gold Corp. (CUG:V) and United Lincoln Resources Inc. (ULN:V, ULNNF:NASDAQ) announced today that an on-going, wide spaced, three drill program at Mt. Milligan continues to dramatically expand open pit reserves of the 66 Zone gold deposit and adjacent MBX Zone gold-copper deposit.

In addition to the 66 and MBX Zones, the program has discovered two new zones; a bulk tonnage copper-gold zone and a high-grade gold vein system. All of the deposits are open to extension within a large, circular sulphide system measuring over 2 miles in circumference. Drilling is continuing.

The Mt. Milligan property is a 70% United Lincoln Resources Inc., 30% BP Resources Canada Limited joint venture. United Lincoln is project operator.

66 ZONE

The 66 Zone is a disseminated gold deposit that currently measures 1300 feet long and 1600 feet wide (Figure 1). The Zone is open to extension in two directions and at depth (Figures 1 and 2). The 66 Zone grades into the gold-copper MBX Zone to the north. Extensive drilling is planned to determine the south and west limits of the 66 Zone. Untested gold-copper soil anomalies extend for 5000 feet south and west of the current 66 Zone drill area (Figure 3).

New results from the 66 Zone are:

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-81	261	-45	912.8	56.7	912.8	856.1	0.09	0.014
			(including)	56.7	462.5	405.8	0.15	0.012
				739.0	912.8	173.8	0.04	0.029
89-83	257	-45	965.3	170.9	965.3	794.4	0.03	0.020
			(including)	457.6	899.4	441.8	0.01	0.029
				951.9	965.3	13.4	0.15	0.094
89-84	259	-45	1127.7	123.0	1127.7	1004.7	0.07	0.023
			(including)	314.9	938.1	623.2	0.08	0.035
				469.0	752.8	283.8	0.06	0.063
89-88	276	-45	816.7	142.0	816.7	674.7	0.11	0.029
			(including)	142.0	223.0	81.0	0.44	0.013
				373.9	754.4	380.5	0.06	0.042
				459.2	669.1	209.9	0.06	0.067

MBX ZONE

The MBX gold-copper zone is located on the eastern side of the circular sulphide system and currently measures 1600 feet long and up to 1200 feet wide. Two deep drill tests have intersected gold-copper mineralization to depths of over 850 feet. The deposit is open. New results from the eastern edge of the MBX Zone are:

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-71	270	-45	1114.2	254.9	1114.2	859.3	0.24	0.010
89-72	270	-45	987.6	299.8	987.6	687.8	0.18	0.007
89-73	270	-45	1203.8	315.9	1203.8	887.9	0.12	0.009
			(including)	437.2	764.2	327.0	0.19	0.015
89-76	270	-45	1134.9	293.9	1134.9	841.0	0.24	0.012
89-80	270	-45	985.6	252.9	985.6	732.7	0.20	0.015
			(including)	433.0	832.5	399.5	0.22	0.023

A new bulk tonnage copper-gold zone located 1,200 feet west of the MBX Zone and on the western side of the circular sulphide system has been intersected by hole 89-87 (Figure 2). Results are:

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-87	260	-48	516.9	202.7	386.7	184.0	0.32	0.006

79 VEIN

A high-grade gold vein system is indicated by drill hole 89-79 located 2600 feet northwest of the MBX Zone. Results are:

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-79	288	-45	586.8	505.1	518.2	13.1	0.20	0.64

OUTSIDE OF ZONES

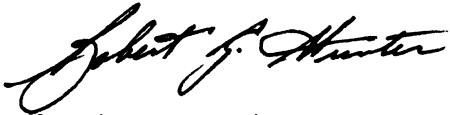
Recent exploratory drill holes which did not intersect significant mineralization are:

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-75	288	-45	665.2	216.0	665.2	449.2	anomalous values	
89-78	288	-45	500.0	74.0	500.0	426.0	anomalous values	
89-82	270	-45	586.8	216.9	537.9	321.0	0.13	0.006
89-85	270	-45	536.9	95.0	536.9	441.9	anomalous values	
89-86	270	-45	506.8	23.0	506.8	483.8	anomalous values	

Preliminary metallurgical testwork on samples from the 66 Zone has shown gold to occur as fine free grains or on the boundaries of pyrite grains which indicates high gold recoveries can be expected.

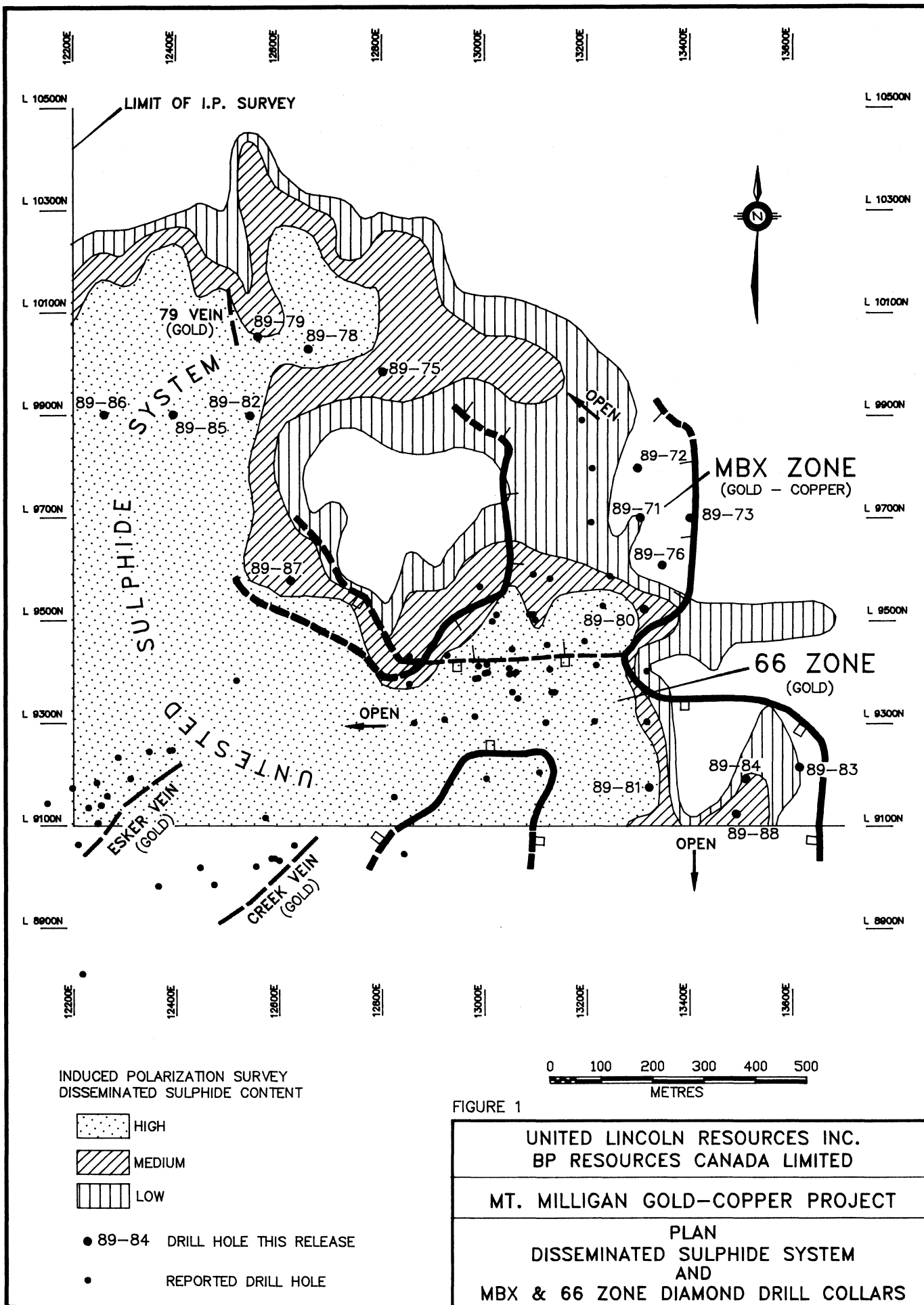
The shareholders of United Lincoln and its parent Continental Gold Corp. have approved the amalgamation of the two companies. Regulatory approval is expected shortly. The new amalgamated entity will be called Continental Gold Corp.

ON BEHALF OF THE BOARD

A handwritten signature in cursive script, appearing to read "Robert G. Hunter".

Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.



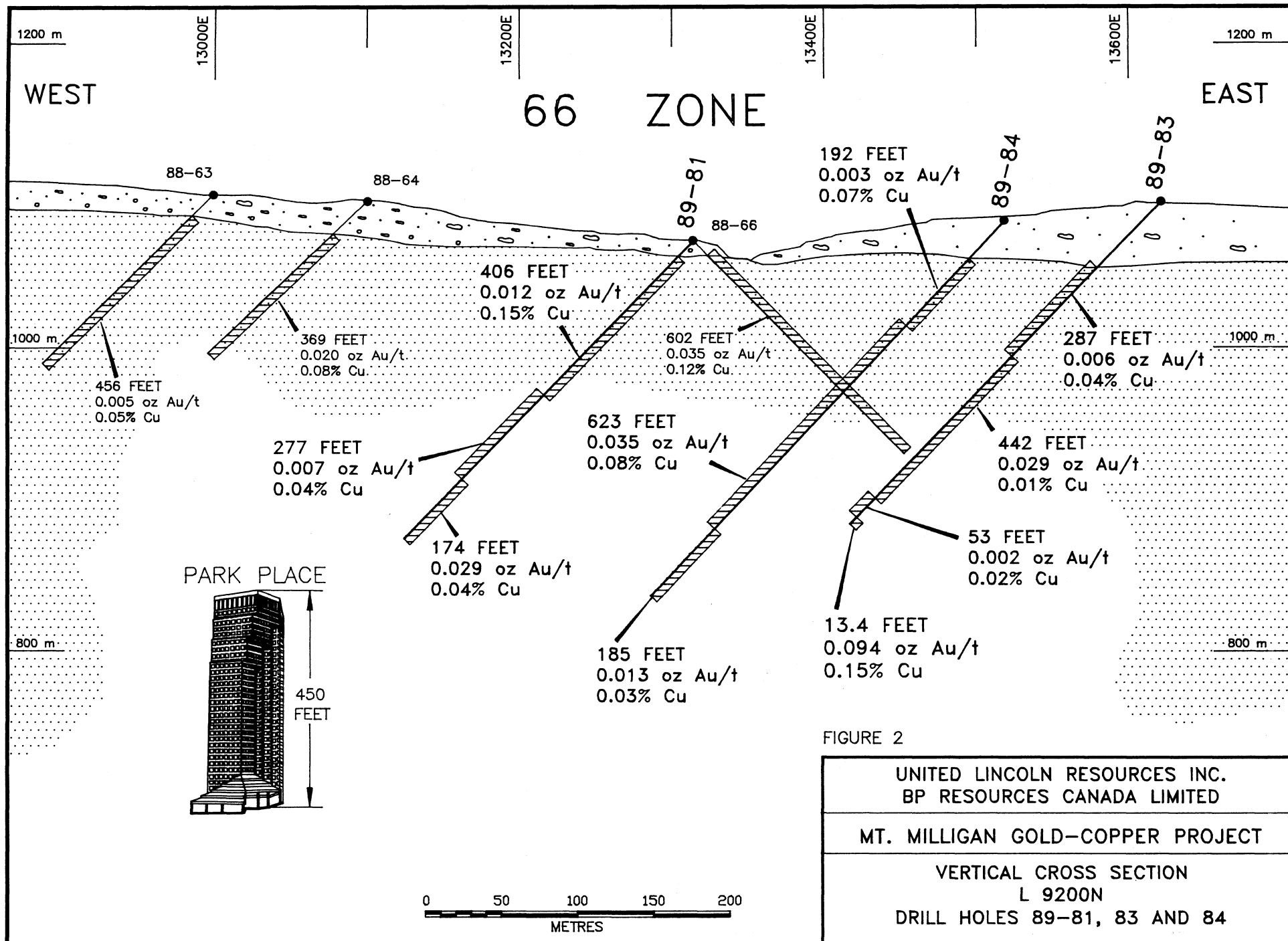


FIGURE 2

UNITED LINCOLN RESOURCES INC.
BP RESOURCES CANADA LIMITED

MT. MILLIGAN GOLD-COPPER PROJECT

VERTICAL CROSS SECTION
L 9200N
DRILL HOLES 89-81, 83 AND 84

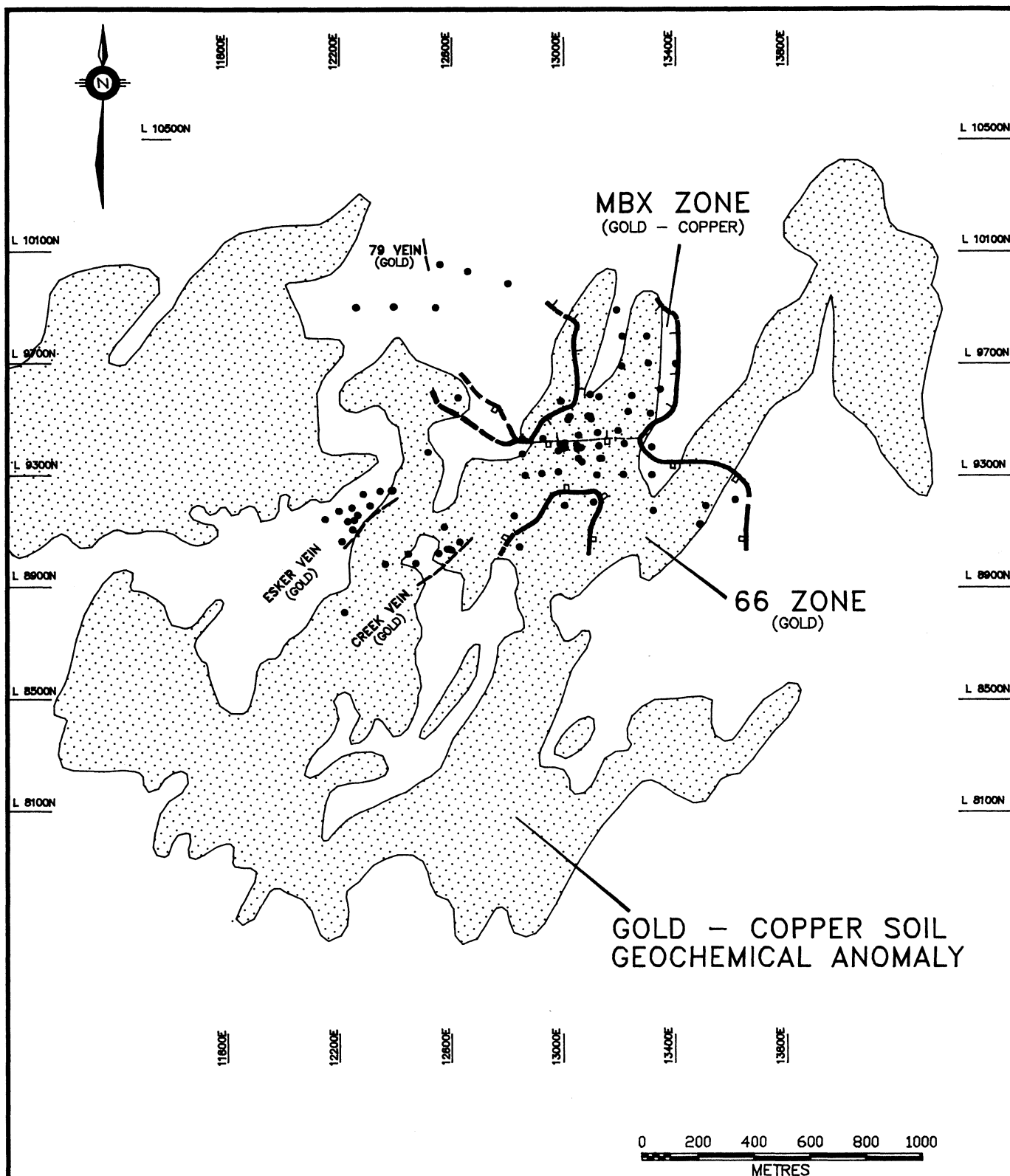


FIGURE 3

UNITED LINCOLN RESOURCES INC.
BP RESOURCES CANADA LIMITED

MT. MILLIGAN GOLD-COPPER PROJECT

PLAN
DISSEMINATED SULPHIDE SYSTEM
AND
MBX & 66 ZONE DIAMOND DRILL COLLARS

Prepared by: RWR Mineral Graphics Ltd.

CONTINENTAL GOLD CORP.
1020-800 W. Pender Street
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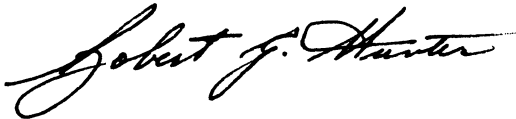
UNITED LINCOLN RESOURCES INC.
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(604) 684-6365

FEBRUARY 28, 1989

AMALGAMATION APPROVED BY SHAREHOLDERS

Robert G. Hunter, Chairman of the Boards of both Continental Gold Corp. (CUG:V), and United Lincoln Resources Inc. (ULN:V, ULNNF:NASDAQ), is pleased to announce that the amalgamation and plan of arrangement between the companies announced December 30th, 1988 received shareholder approval pursuant to the shareholders' meetings of Continental and United Lincoln convened February 24th, 1989. Final judicial and regulatory approvals are expected by approximately March 15th, 1989.

ON BEHALF OF THE BOARDS OF
CONTINENTAL GOLD CORP. AND
UNITED LINCOLN RESOURCES INC.

A handwritten signature in cursive script, reading "Robert G. Hunter".

Robert G. Hunter
Chairman of the Boards

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

CONTINENTAL GOLD CORP.

DIRECTORS' REPORT TO SHAREHOLDERS

An aggressive plan of precious and base metal property acquisition, property development and related financings was pursued during Continental Gold Corp.'s first year as a public company. Excellent results were achieved and continued rapid growth is planned.

FINANCIAL

A total of \$5.6 million in financing was raised during the year. Flow through funding totalled \$1.6 million while private share placements to Homestake Mining Company and European financial institutions provided an additional \$3.75 million. Principle uses of funds were \$1.54 million for the acquisition and development of the Trophy Project and \$2.08 million for the purchase of shares in United Lincoln Resources Inc. Working capital of the Company and its 64% subsidiary (69% fully diluted) United Lincoln Resources Inc. at year end was \$3.42 million.

MINERAL ASSETS

The Company's mineral assets currently include four significant projects and a controlling share position in United Lincoln Resources Inc.

TROPHY GOLD PROJECT

The Trophy Gold Project is currently 100% owned and consists of 71 square miles of mineral claims in the heart of the Iskut Gold Belt, 70 miles southwest of Dease Lake, British Columbia. Within this vast land holding major structures host gold and silver mineralization with significant lead and zinc values. Surface work programs by the Company have located sixteen gold-silver zones which assayed up to 3.4 oz. gold/ton and 165 oz. silver/ton. An initial 9,300 foot, 16 hole drill program was completed on three of the known zones. Drill holes intersected wide and continuously mineralized structures with the best intersection grading 0.16 oz. gold/ton and 0.88 oz. silver/ton over 36 feet. Further drilling is required to test for higher grade mineralization within the structures. In response to Continental's Trophy gold discovery, other companies have staked over 200 square miles of mineral claims in the area.

Continental Gold Corp. is currently finalizing an agreement with a Prime Capital Group company. The agreement calls for the Prime Capital company to pay 200,000 shares and expend \$5.5 million on development to earn a 55% interest in the project.

TELEGRAPH CREEK GOLD PROJECT

In 1988, the Company acquired by staking a 100% interest in five mineral properties totalling 32,172 acres in the Telegraph Creek area, northwest, British Columbia. The properties cover regions of high geological potential for structurally-controlled precious metal mineralization. In addition, they cover significant gold and silver stream sediment anomalies that were identified by the B.C. Ministry of Energy, Mines and Petroleum Resources' 1988 Regional Geochemical Survey. Plans are to joint venture these properties.

SEAL RIVER PROJECT

The Seal River Project consists of a 75% interest in a 121,153 acre mineral permit near Churchill, Manitoba. The property is under option to North American Metals Corp. who can earn a 50% interest by spending \$1,085,000 on exploration prior to 1990. On the property a 16 mile-long geophysical anomaly coincides with newly discovered gold mineralization hosted by iron formation. North American is reviewing the exploration data and planning further exploration.

SOUTHERN INDIAN LAKE PROJECT

Continental has a 100% interest in 16 claims totalling 5,500 acres near The Pas, Manitoba. Geological and geophysical work programs have located a 10 mile long iron formation horizon that is host to gold mineralization. Drilling is now required to test this target. Plans are to joint venture the project.

UNITED LINCOLN RESOURCES INC.

This year Continental Gold Corp. acquired a controlling 64% shareholding (69% fully diluted) in United Lincoln Resources Inc. United Lincoln is a public, mineral exploration and development company whose principle asset is the Mount Milligan Project - a 70% United Lincoln/30% BP Resources Canada Limited joint venture. United Lincoln is project operator.

The Mount Milligan Project is approximately 30 miles west of MacKenzie, British Columbia. Gravel roads provide excellent access to the 45 square mile property.

Continental's funding of United Lincoln has resulted in an aggressive and on-going drill program at the property. Currently, four drills are testing a circular disseminated sulphide system measuring two miles in circumference. Forty-seven wide-spaced drill holes totalling 23,500 feet have outlined an initial zone of disseminated gold-copper mineralization which measures 2,500 feet along-strike and up to 1,000 feet wide. The zone has demonstrated vertical continuity to a depth of 850 feet and is open to extension along-strike and at depth. Average gold grades are in the 0.02-0.04 oz. gold/ton range while average copper grades are in the 0.3-

0.5% range. Drill results are confirming the large-scale, open pit potential of the property; however further work is required to determine an accurate mineral reserve estimate and to determine gold and copper recovery for this deposit. These parameters should be known within the next four to eight months at which time it is planned to retain an established engineering company to determine the Project's economic viability. The Mt. Milligan Project, if placed into production, would be a leading Canadian gold producer and would in addition produce significant copper.

PROPOSED AMALGAMATION

On December 14th, 1988 the Directors of Continental Gold Corp. approved in principle an amalgamation between your Company and United Lincoln Resources Inc. Since that date, definitive documents have been signed and a detailed Information Booklet has been prepared. In addition to the Annual Meeting a Special Meeting of Shareholders of the Company will be held on February 24, 1989 to vote on the proposed amalgamation.

If the amalgamation is completed, each shareholder will have the opportunity to receive, for each share of Continental Gold Corp. one share of the new company. Shareholders of United Lincoln Resources Inc. will also receive one share of the new company. The new company will assume the name Continental Gold Corp. and its shares will trade on NASDAQ and the Vancouver Stock Exchange. All of the necessary information is provided in the Information Booklet enclosed.

The Directors unanimously support the merger, and recommend that shareholders vote in favour of it. For the reasons explained in detail in the Information Booklet, the Directors believe that the amalgamation provides full and fair consideration to shareholders and is in the best interests of the Company and its shareholders. It is the belief of the management that combining of the resources of the Company and United Lincoln will result in a well financed company with significant gold and base metal production prospects.

As shareholders, all of you have the right to vote on the proposed amalgamation. Your votes are important. Please take the time to review the Information Booklet, and, if you cannot attend the Annual and Special Meeting of shareholders, kindly complete and return the enclosed form of proxy.

Our sincere gratitude is extended to our loyal shareholders. Without your support these initial goals would not have been achieved. We look forward to all shareholders participating in the rewards of the growth of Continental Gold Corp.

ON BEHALF OF THE BOARD



Robert G. Hunter
Chairman and Director



Robert A. Dickinson
President and Director

January 27, 1989

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FEBRUARY 14, 1989

NEWS RELEASE

DRILL HOLES CONFIRM MAJOR GOLD ZONE

Robert G. Hunter, a Director of Continental Gold Corp. (VSE:CUG) and its 69% owned subsidiary United Lincoln Resources Inc. (VSE:ULN, NASDAQ:ULNNF) today announced assay results for two additional holes from the on-going drill program at the Mt. Milligan property. The Mt. Milligan gold-copper project is near MacKenzie, B.C. and is an United Lincoln (70%) - BP Resources Limited (30%) joint venture. United Lincoln is operator. Results are:

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-74	270	-45	1190.6	209.9	1190.6	980.7	0.02	0.010
			(including)	209.9	311.6	101.7	0.07	0.035
				311.6	433.3	121.7	0.04	0.007
				433.3	688.8	255.5	0.02	0.008
				688.8	856.1	167.3	0.01	0.019
				856.1	1190.6	334.5	0.02	0.006
89-77	270	-45	865.9	93.2	865.9	772.7	0.11	0.023
			(including)	93.2	143.0	49.8	0.09	0.007
				143.0	261.7	118.7	0.15	0.012
				143.0	569.7	426.7	0.16	0.036
			(including)	261.7	569.7	308.0	0.17	0.045
				569.7	865.9	296.2	0.03	0.006

The reported holes extend the zone of gold mineralization first cut in **Holes 88-61 (720 feet at 0.036 ounces/ton) and 88-66 (602 feet at 0.035 ounces/ton)**. Results to date indicate that the 66 ZONE is 1600 feet wide and 1100 feet long (Figure 1). The zone is open to extension to the south and west. It merges with MBX ZONE gold-copper mineralization to the north (Figure 1).

Two drills are now at work on systematic 100 metre step-out holes in the 66 ZONE (Figure 2). A third rig is testing the western flank of the circular sulphide system.

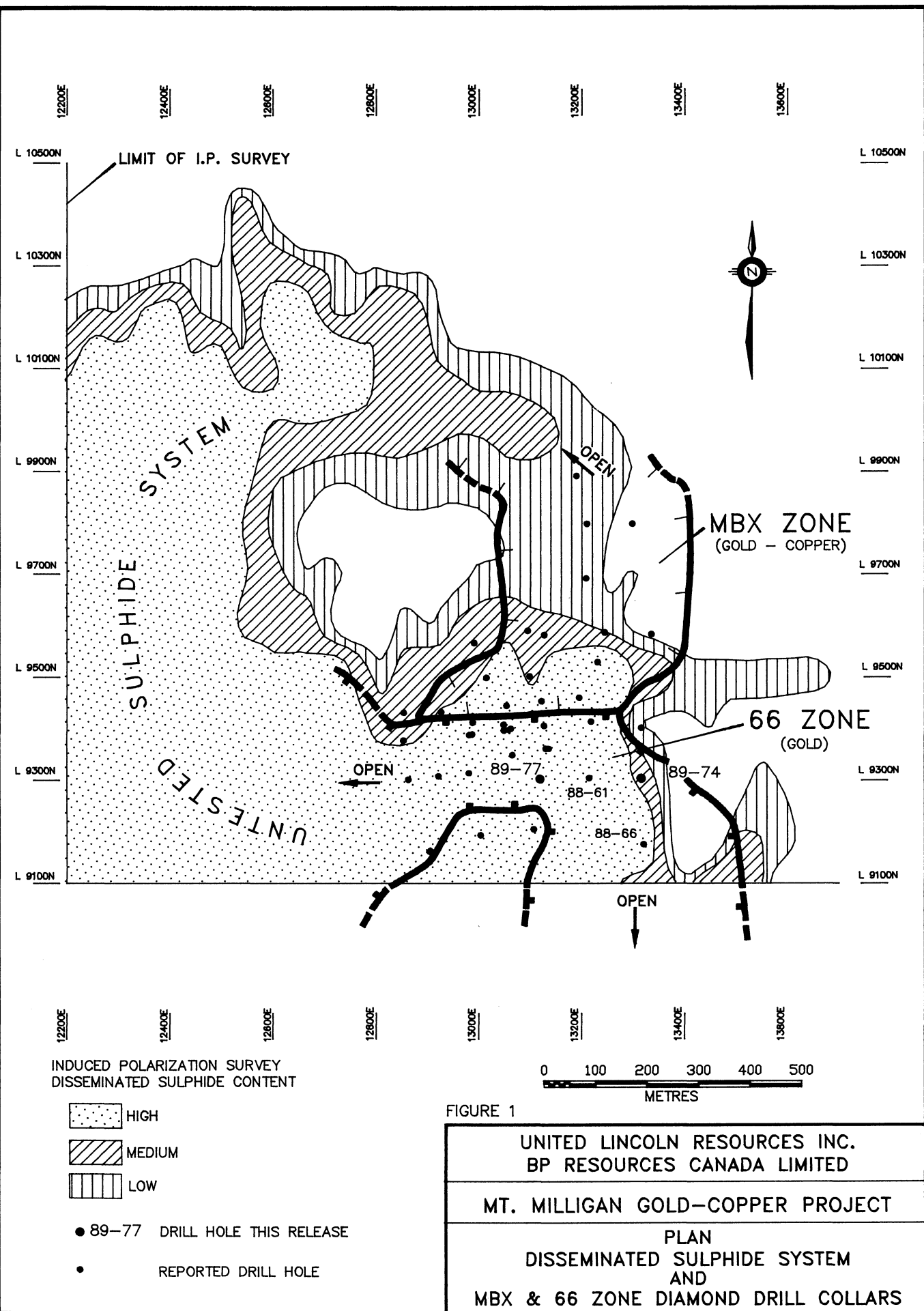
Continental Gold Corp. and United Lincoln Resources Inc. plan to amalgamate on a one share for one share basis in March 1989. On gifting back of inter-company share holdings there will be approximately 6,984,073 common shares of the amalgamated entity issued and outstanding.

ON BEHALF OF THE BOARD

A handwritten signature in cursive script, reading "Robert G. Hunter".

Robert G. Hunter
Director

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.



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FEBRUARY 7, 1989

NEWS RELEASE

MAJOR TONNAGE ADDITIONS INDICATED BY DEPTH TESTS

Robert G. Hunter, a Director of Continental Gold Corp. (VSE:CUG) and its 69% owned subsidiary United Lincoln Resources Inc. (VSE:ULN, NASDAQ:ULNMF) today announced assay results for 2 additional holes from the on-going drill program at the Mt. Milligan property. The Mt. Milligan gold-copper project is a United Lincoln (70%) - BP Resources Canada Limited (30%) joint venture. United Lincoln is operator. Results are:

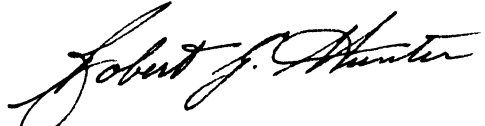
Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
88-70	270	-80	1403.5 (including)	83.0	905.3	822.3	0.37	0.015
				83.0	506.1	423.1	0.39	0.017
				506.1	725.2	219.1	0.39	0.015
				725.2	905.3	180.1	0.32	0.011
89-71	270	-45	1114.2 (including)	254.9	1083.4	828.5	0.25	0.009
				254.9	310.9	56.0	0.33	0.006
				310.9	383.8	72.9	Post Mineral Dyke	
				383.8	727.2	343.4	0.26	0.011
				727.2	900.7	173.5	0.16	0.008
				900.7	1083.4	182.7	0.39	0.012

These holes (and Hole 68 announced earlier) indicate that the gold-copper mineralization of the MBX Zone has vertical continuity to a depth of at least 850 feet. The MBX zone now measures 2500 feet along strike and up to 1000 feet wide and is open. Gold and copper is disseminated throughout the zone with gold grades showing a dramatic increase at the open, southern end. Drill results are confirming the large scale open pit potential of the property.

Three drill rigs are now at work on the property testing the circular disseminated sulphide system measuring two miles in circumference.

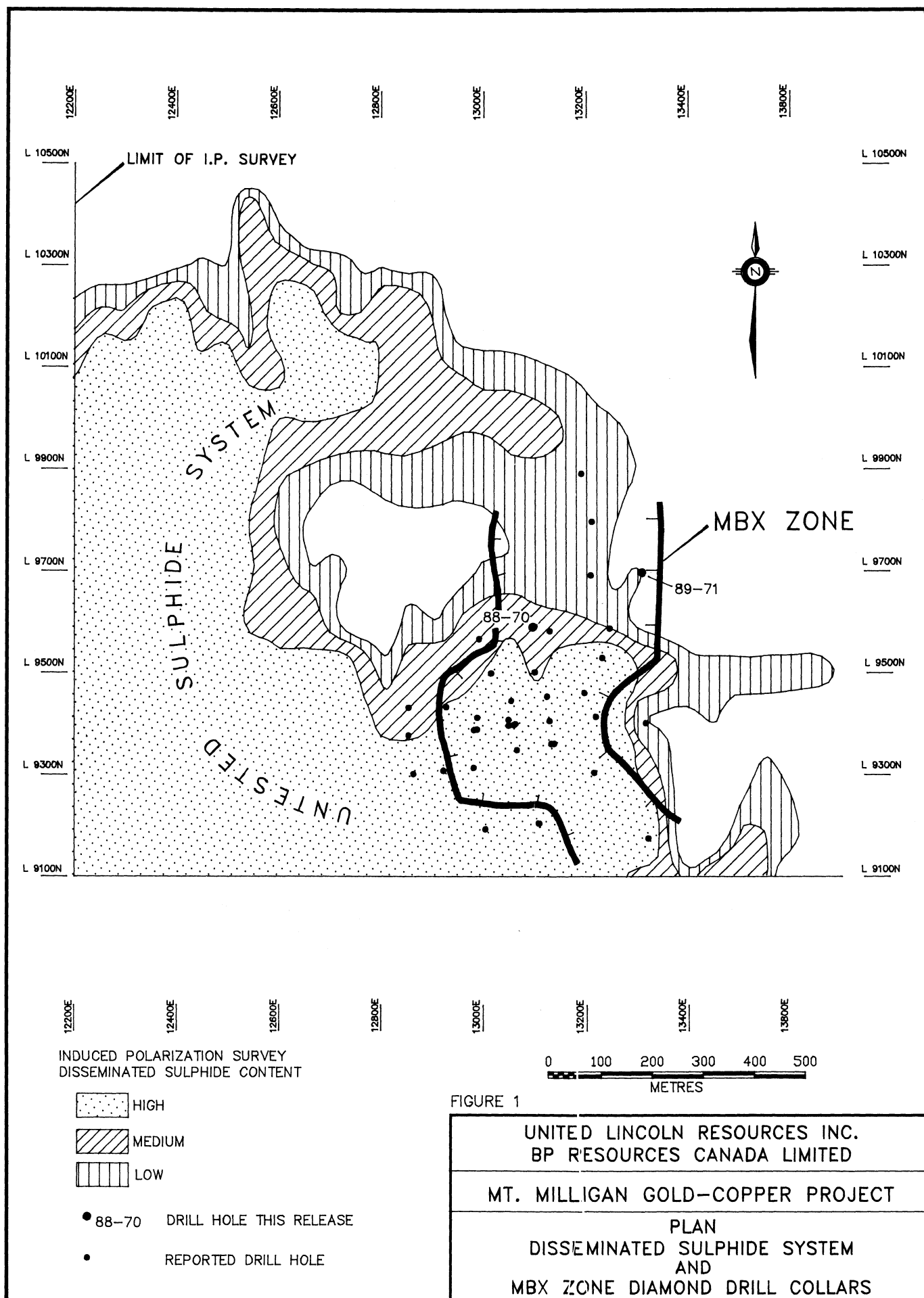
Continental Gold Corp. and United Lincoln Resources Inc. plan to amalgamate on a one share for one share basis in March 1989. On gifting back of inter-company share holdings there will be approximately 6,984,073 common shares of the amalgamated entity issued and outstanding.

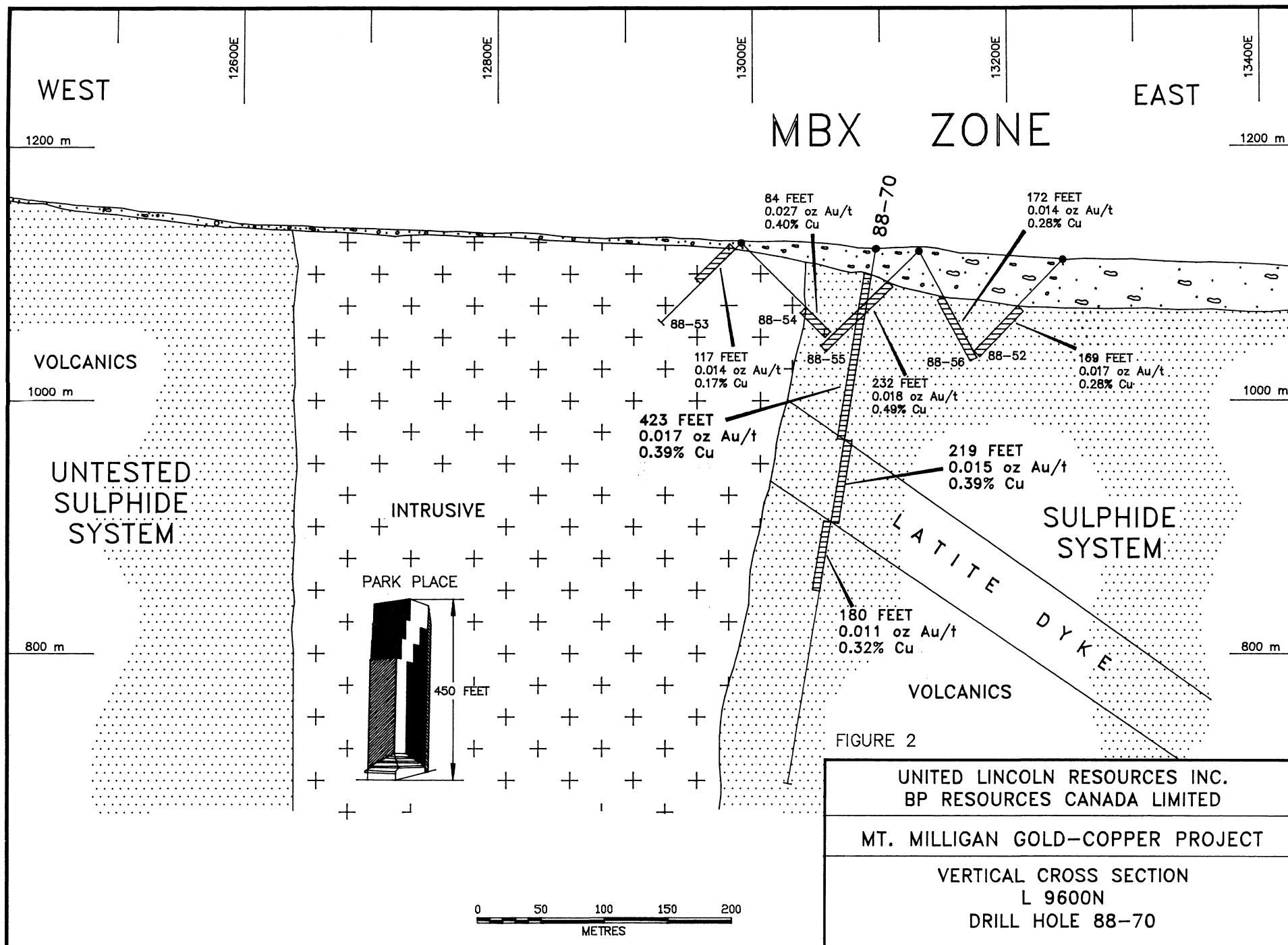
ON BEHALF OF THE BOARD

A handwritten signature in cursive script, appearing to read "Robert G. Hunter".

Robert G. Hunter
Director

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.





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JANUARY 9, 1989

NEWS RELEASE

POTENTIAL FOR WORLD CLASS
GOLD-COPPER DEPOSIT INDICATED

Robert G. Hunter, Director of Continental Gold Corp. (VSE:CUG) and its 69% owned subsidiary United Lincoln Resources Inc. (VSE:ULN, NASDAQ:ULNNF) today announced assay results for the first 10 holes of a major delineation drill program underway at the Mt. Milligan property. The Mt. Milligan gold-copper project is a United Lincoln (70%) - BP Resources Canada Limited (30%) joint venture. United Lincoln is operator.

The current drill program has started to test the eastern flank of a circular, disseminated sulphide system measuring 2 miles in circumference. Drilling continues to expand the MBX disseminated gold-copper zone which now measures 2500 feet along-strike and up to 1000 feet wide (Figure 1). The zone has demonstrated vertical continuity to a depth of at least 850 feet (Hole 88-68 and 88-70) and is open to extension along-strike and at depth (Figure 2).

Gold is disseminated throughout the MBX zone with gold grades showing a dramatic increase at the open, southern end of the zone (Hole 88-61 and 88-66). Current assay results are summarized in Table I and II and on Figure 3 and Figure 4.

TABLE I

DRILL HOLES IN MBX ZONE

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper (%)	Gold oz/ton
				From	To			
88-61	264	-45	925.3 (including)	205.0	925.3	720.3	0.09	0.036
				205.0	373.9	168.9	0.10	0.073
				478.9	724.9	246.0	0.12	0.045
88-65	270	-45	984.8	195.1	646.2	451.1	0.41	0.013
88-66	090	-45	651.7 (including)	50.0	651.7	601.7	0.12	0.035
				393.6	651.7	258.1	0.05	0.062
				505.8	651.7	145.9	0.03	0.086
88-67	270	-45	806.8	209.9	589.7	379.8	0.26	0.012
88-68	270	-80	1048.8 (including)	31.2	1048.8	1017.6	0.36	0.015
				31.2	518.2	487.0	0.43	0.022
				518.2	591.4	73.2	0.12	0.006
				591.4	915.1	323.7	0.40	0.012
				915.1	1048.8	133.7	0.14	0.005
88-70	270	-80	1057.0 (including)	83.0	513.8	430.8	0.38	0.016
				513.8	891.0	377.2	visual copper assays pending in progress	
				891.0	1057.0	166.0		
				1057.0	+			

TABLE II

DRILL HOLES PERIPHERAL TO MBX ZONE

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper (%)	Gold oz/ton
				From	To			
88-62	270	-45	1131.6	225.0	1131.6	906.6	0.11	0.012
88-63	270	-45	526.9	no significant values - not in zone				
88-64	270	-45	486.9	118.0	486.9	368.9	0.08	0.020
88-69	270	-45	709.8	entire hole in fault zone - no values				

Drill results to date confirm the large-scale, open pit potential of the property. Table III lists operating parameters for several open pit mines in British Columbia. It indicates that with continuing positive drill results Mt. Milligan could develop into a major open pit gold-copper mine. At comparable milling rates Mt. Milligan could be a leading Canadian gold producer with average annual production of 200,000 ounces of gold per year plus significant copper.

TABLE III

UNIT OPERATING PARAMETERS
BRITISH COLUMBIA OPEN PIT MINES

Mine	Tons Per Day	Ore Reserves Start Production (tons)	Payable Metals \$/Ton Milled*	Operating Costs \$/Ton Milled**
Brenda	31,000	175,000,000	6.90	5.30
Gibraltar	38,100	360,000,000	6.70	5.90
Similkameen	25,000	61,000,000	9.80	7.40

MT. MILLIGAN PROJECT

Mt. Milligan	Exploration Stage	-	13.30	-
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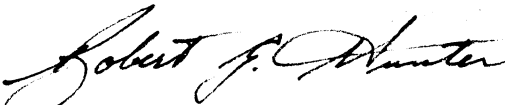
* Copper = \$US 1/lb.
Gold = \$US 410/ounce
Molybdenum = \$US 3.40/lb.

** Cash site costs plus smelter,
refining and freight charges

Two drill rigs are now at work on the property with an additional 2 machines scheduled to start before month end. The on-going drill program will continue to test the circular disseminated sulphide system and numerous other targets on the 42 square mile property (Figure 5).

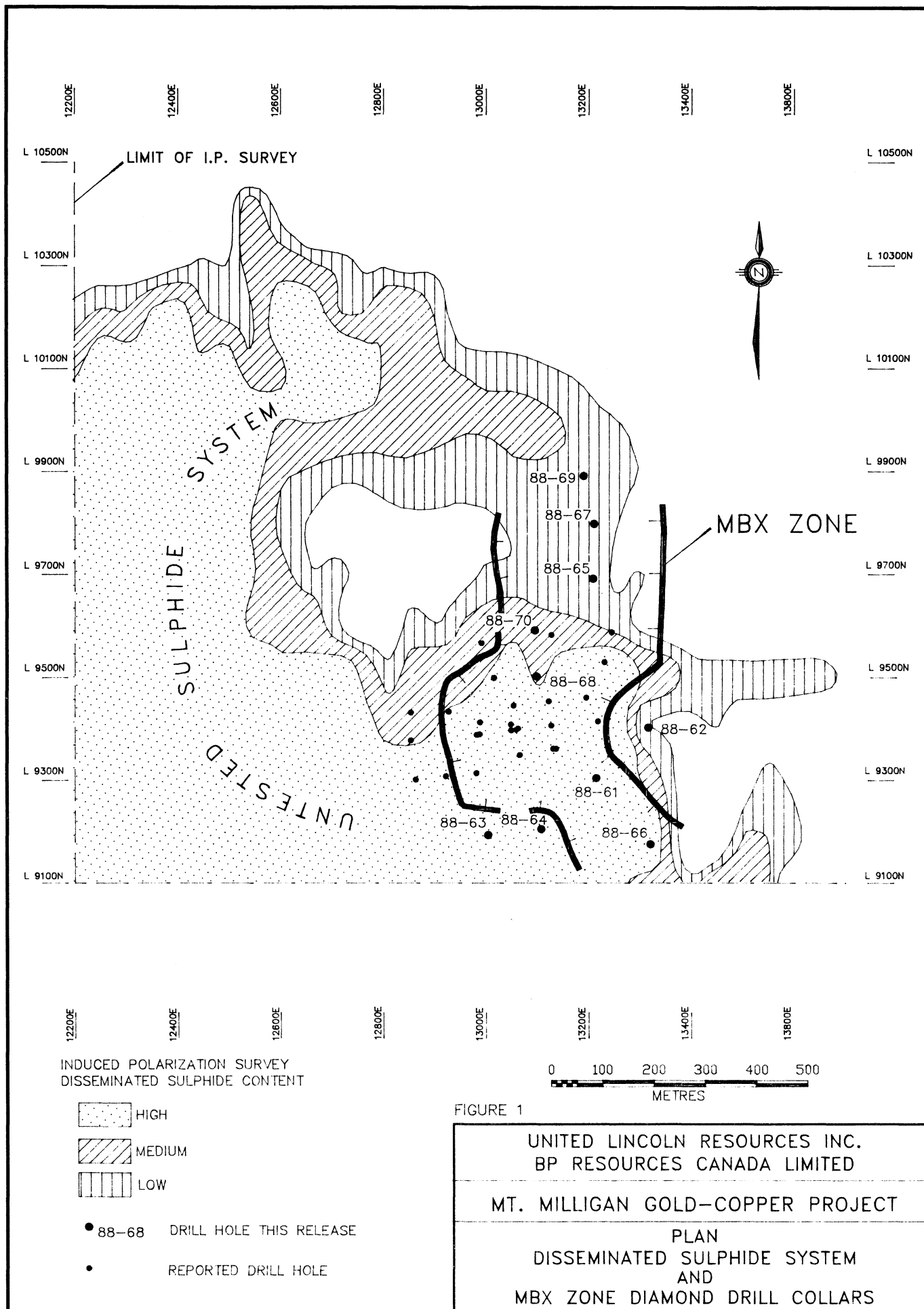
Continental Gold Corp. and United Lincoln Resources Inc. plan to amalgamate on a one share for one share basis by March 1989. On gifting back of inter-company share holdings there will be approximately 6,921,000 common shares of the amalgamated entity issued and outstanding (7,900,000 fully diluted).

ON BEHALF OF THE BOARD

A handwritten signature in cursive script, appearing to read "Robert G. Hunter".

Robert G. Hunter
Director

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.



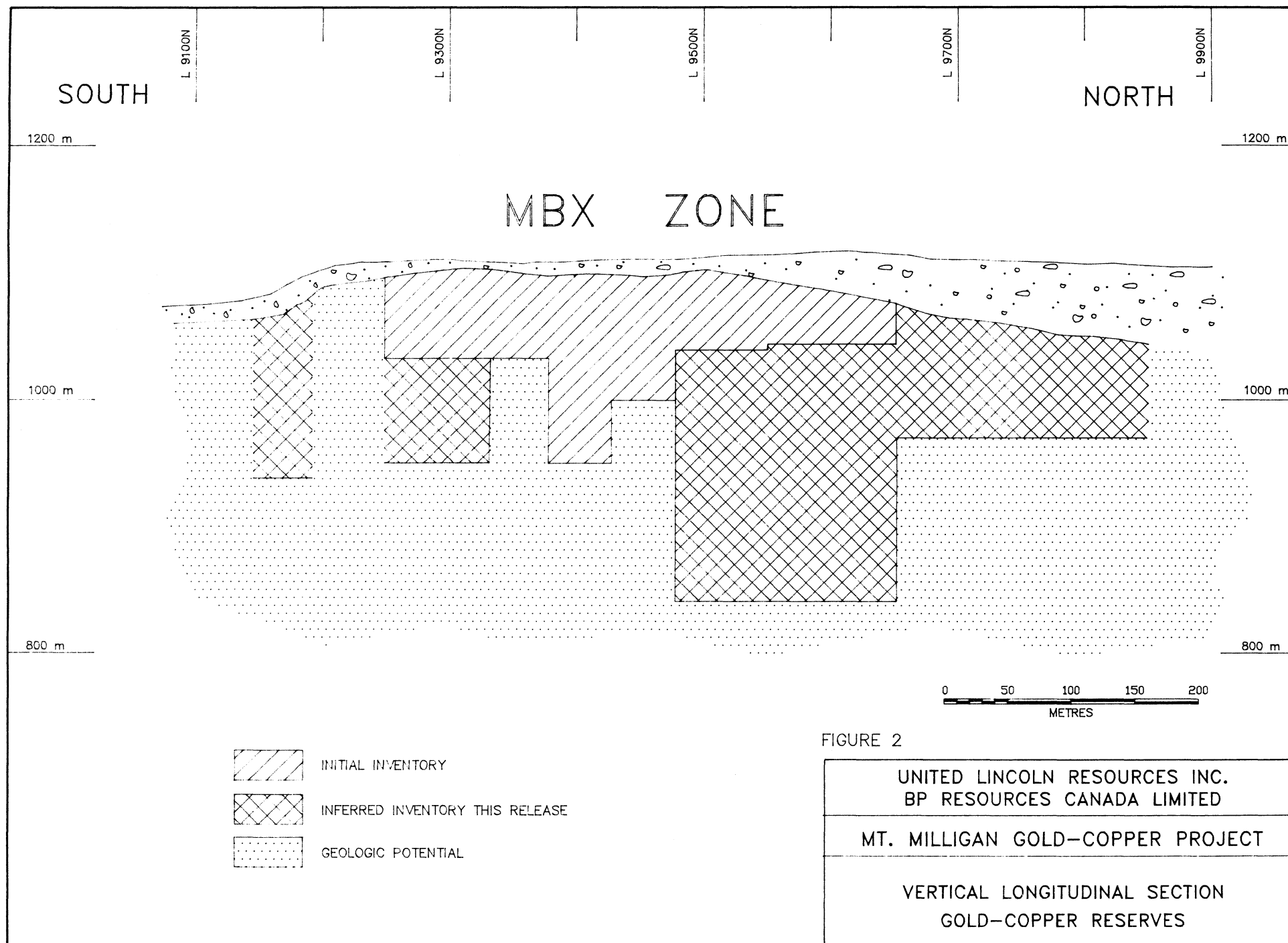
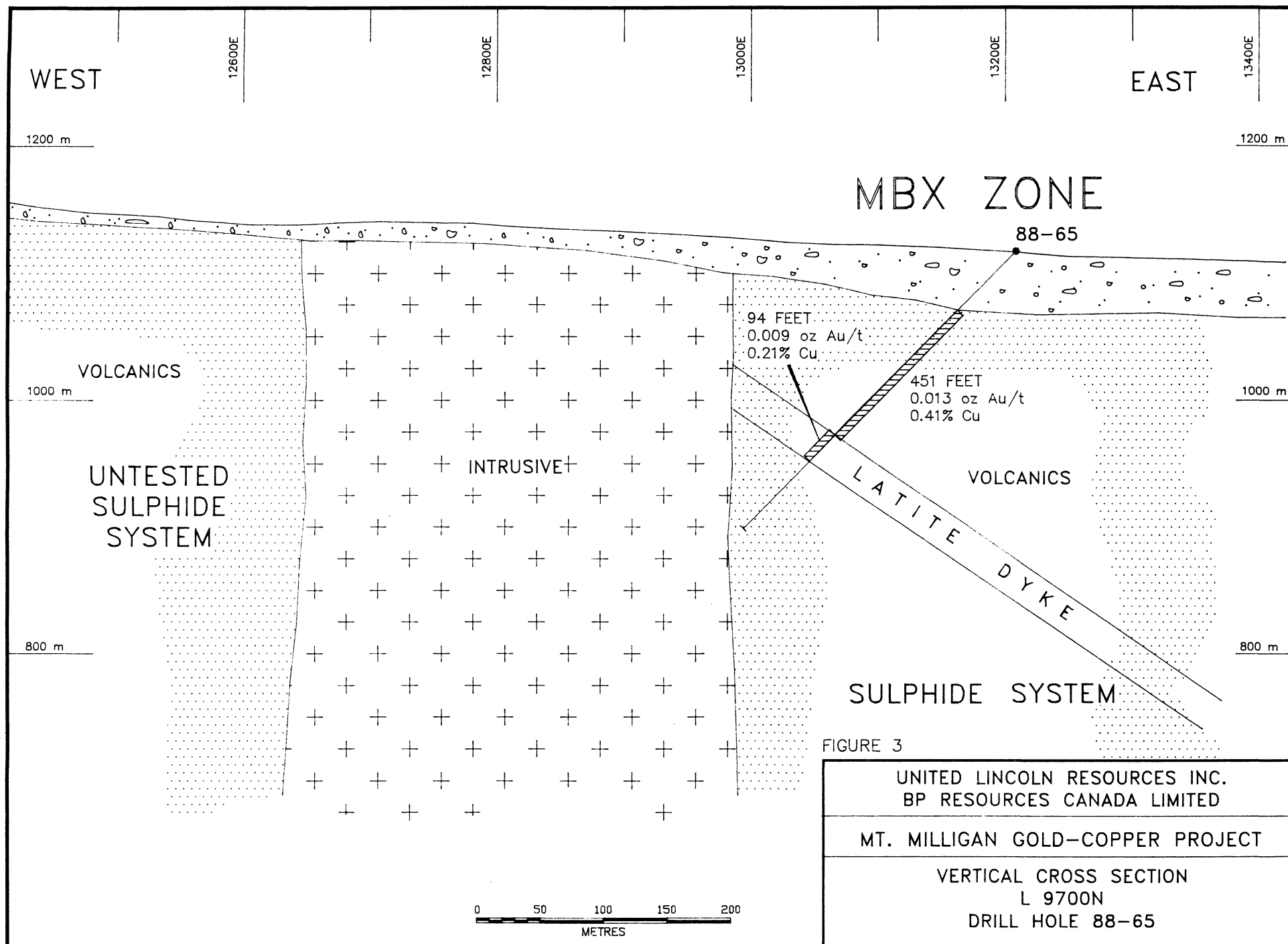


FIGURE 2



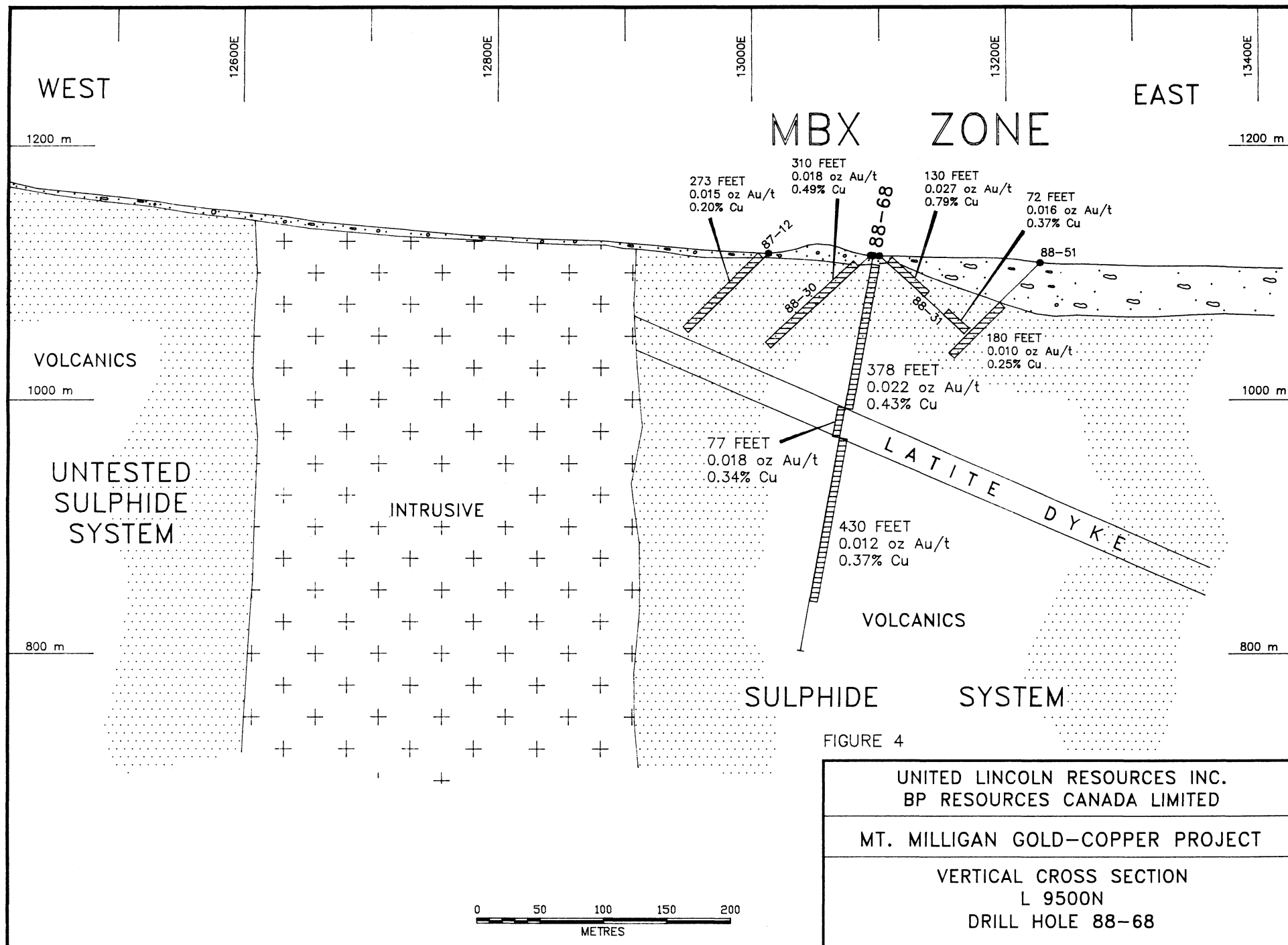
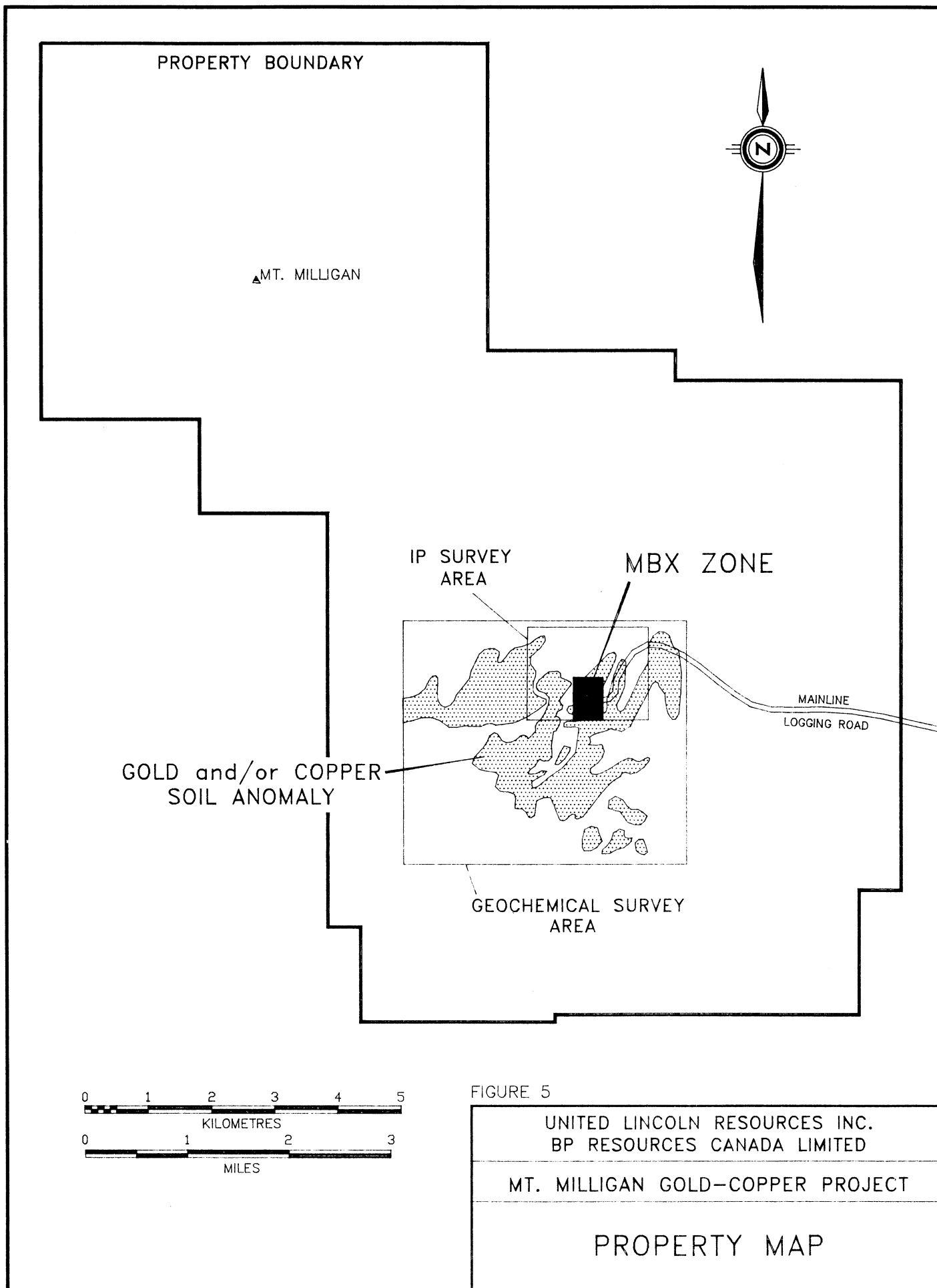


FIGURE 4

UNITED LINCOLN RESOURCES INC.
BP RESOURCES CANADA LIMITED

MT. MILLIGAN GOLD-COPPER PROJECT

VERTICAL CROSS SECTION
L 9500N
DRILL HOLE 88-68





N E W S R E L E A S E

DECEMBER 5, 1989

WORKING CAPITAL RISES TO \$4,000,000

Robert G. Hunter, Chairman of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ), wishes to announce a further agreement with CMP 1989 II Resource Partnership and Company, Limited (the "Fund") whereby the Fund has agreed to subscribe for an additional \$1,000,000 of flow-through shares in the Company at a price of \$10.00 per share. Under the terms of the agreement with the Fund the Company will renounce \$700,000 in Canadian Exploration Expenditures to the Fund. The placement is subject to the usual regulatory approvals. With completion of this private placement Continental Gold Corp. will have working capital of \$4,000,000.

ON BEHALF OF THE BOARD

Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

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N E W S R E L E A S E

OCTOBER 6, 1989

BRITISH PETROLEUM ATTEMPTS TO SQUEEZE MINE FINDING CANADIAN JUNIOR

Robert G. Hunter, Chairman of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ) advises that the Company has received notice from BP Resources Canada Limited ("BP") that BP intends to file an action against the Company alleging that the Company breached the terms of its 1986 joint venture agreement ("Agreement") with BP. Continental Gold has conferred with its legal advisors and has been advised that based on the facts BP's allegation is completely without merit.

Continental Gold Corp. understands that BP's allegation is that a simple corporate procedural step, which was part of the March 15, 1989 amalgamation between Continental Gold Corp. and its 69% subsidiary United Lincoln Resources Inc., somehow gave rise to a first right of refusal in favour of BP to acquire an additional interest in the Mt. Milligan property. The BP position is wholly without merit on the basis that it is clearly contrary to the intent of the Agreement and relies on taking a word out of context within the Agreement and unreasonably applying it to the procedural step.

Six weeks prior to the amalgamation BP was provided with all documentation relating to the Continental Gold/United Lincoln amalgamation including those aspects of the procedural step which BP has now taken issue with. During this period BP raised no complaints, issues or objections and for six months after the amalgamation continued to act in accordance with the joint venture terms before raising a complaint. The complained of procedure, did not in any way reduce or adversely affect BP's continuing rights under the Agreement.

The BP position has caused a major Canadian mining company to suspend discussions with the senior officers of Continental relating to a proposed offer for all the outstanding shares of Continental Gold Corp. at a substantial premium over current market price. In the event that BP's actions cause damage to the Company's shareholders, a multimillion dollar counter-suit will be prepared. Further details regarding this matter will be released when available.

.../2

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Continental Gold Corp., operator of the Mt. Milligan project, continues to rapidly advance exploration and development work on the property. The main 200 million ton Mt. Milligan deposit is currently being engineered for a 50,000 TPD open pit mine which is expected to produce up to 400,000 ounces gold and 100,000,000 pounds copper on an annual basis. In addition six diamond drill rigs (36,000 feet/month) are delineating three newly discovered gold-copper deposits elsewhere on the property. A full project update will be released shortly.

ON BEHALF OF THE BOARD

A handwritten signature in cursive script, reading "Robert G. Hunter".

Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.



N E W S R E L E A S E

August 10, 1989

CONTINENTAL GOLD NAMES NEW DIRECTOR

Mr. Robert G. Hunter, Chairman of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ) announced today the appointment of Mr. Ray W. Ballmer to the Board of Directors of Continental Gold Corp.

Mr. Ray Ballmer is Vice-Chairman and Chief Executive Officer of Rio Algom Limited.

Rio Algom Limited recently announced the purchase of 628,053 shares or 8.6% of Continental Gold Corp. In addition, to purchasing some 573,353 of these Continental Gold shares from Homestake Mining Company, Rio Algom purchased the rights within a June 30, 1988 - Continental Gold Corp. - Homestake Mining Company private placement share purchase agreement which included the right to Board representation and the right to purchase approximately 8% of future Continental Gold Corp. share issuances.

Rio Algom is one of several major mining companies that are closely following developments at Continental Gold's 70% controlled Mt. Milligan gold-copper deposit near Prince George, B.C. Rio Algom is a recognized leader in the operation of large-scale open pit mines and is a partner in Highland Valley Copper which operates Canada's largest open pit base metal mine.

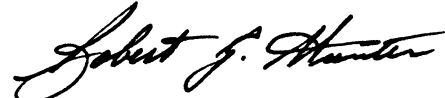
On-going drilling at Mt. Milligan has outlined a world class, disseminated gold-copper deposit. The deposits's geometry and massive reserves make it ideally suited for large-scale open pit development. Prefeasibility projections indicate average annual gold production in the range of 200,000 to 300,000 ounces and average annual copper production in the range of 60,000,000 to 100,000,000 pounds over a 10 to 15 year mine life.

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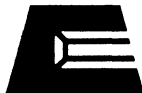
Continental Gold Corp. has 7,396,114 shares outstanding and trades in Canada on the Vancouver Stock Exchange with symbol CNT and in the United States on NASDAQ with symbol CNTVF.

ON BEHALF OF THE BOARD

A handwritten signature in cursive script, appearing to read "Robert G. Hunter".

Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.



**CONTINENTAL GOLD CORP.
PROGRESS REPORT FOR SHAREHOLDERS**

August 1, 1989

Dear Shareholder:

The Board of Directors and Management of Continental Gold Corp. are pleased to inform shareholders of important new developments affecting your Company.

THE MT. MILLIGAN DISCOVERY

Your Company has recently discovered the world class Mt. Milligan gold-copper deposit near Prince George, B.C. The Project is a 70% Continental Gold Corp. - 30% BP Resources Canada Limited joint venture. Continental is project operator. On-going core drilling, currently in excess of 150,000 feet in 200 holes, has outlined a massive, blanket shaped deposit 4,300 feet long, up to 3,100 feet wide and up to 880 feet thick. The deposit is still open to extension. The Mt. Milligan deposit's geometry and massive reserves make it ideally suited for large-scale open pit mine development. Prefeasibility projections show average annual gold production of 200,000 to 300,000 ounces and average annual copper production of 60,000,000 to 100,000,000 pounds over a 10 to 15 year mine life. At this scale of production Mt. Milligan will rank third in Canadian gold production after Lac Minerals Ltd.'s Page Williams Mine (379,000 oz/year) and Hemlo Gold Mines Inc.'s Golden Giant Mine (337,000 oz/year). Operating costs to produce an ounce of gold will compare favourably with these major mines. Both comparable companies have market capitalizations in the \$1 billion range. Drilling, engineering, environmental and socio-economic studies to support development and permitting of the Mt. Milligan project into production are now in progress.

MAJOR NEW SULPHIDE SYSTEMS DISCOVERED

Ground and airborne geophysical exploration surveys have just been completed over a region south and west of the current deposit area. These surveys have identified at least two new major sulphide systems on the property with response magnitudes similar to that of the massive Mt. Milligan gold-copper deposit. Drills are being moved to these deposit targets.

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GOLD AND COPPER GRADES ON THE RISE

Mt. Milligan reserves are currently in the 150-200 million ton range at an average grade for the whole deposit of 0.30% copper and 0.02 ounces gold/ton. Results from an in-fill drill program now underway indicate that average gold and copper grades for the deposit will increase. Recent results from the in-fill program include:

<u>Hole Number</u>	<u>Intercept Length (Feet)</u>	<u>Gold (oz/ton)</u>	<u>Copper (%)</u>
89-184	297.1	0.107	0.02
89-197	498.6	0.053	0.43
89-192	90.5	0.191	0.44

MINING INDUSTRY CLOSELY FOLLOWS DEVELOPMENTS

Mt. Milligan's established infrastructure, massive reserves and excellent metallurgy have placed Continental Gold Corp. in the position of being North America's leading, development stage gold company. This enviable position has resulted in your Company's activities being closely followed by the North American mining industry. The Board of Directors anticipates that this interest will soon lead to the receipt of various proposals which could strongly impact the Company.

RIO ALGOM REACHES AGREEMENT WITH HOMESTAKE MINING COMPANY FOR SHARE PURCHASE

Your company was recently notified by Rio Algom Limited that it had purchased a minority interest in Continental Gold Corp. Rio Algom has purchased 573,353 shares of Continental Gold Corp. at a price of \$8 per share from Homestake Mining Company and bought 54,700 shares of the Company in the open market giving it a total holding of 628,053 shares or 8.6% of Continental Gold.

Rio Algom's purchase of Continental shares from Homestake included an agreement whereby, should Rio Algom or any third party complete a formal bid for shares of Continental Gold Corp., Homestake will receive for a period of nine months, 75% - 100% of the bid price in excess of \$8 per share.

Rio Algom is one of several major mining companies that are closely following developments at Mt. Milligan. Rio Algom, whose parent is RTZ Corporation, is a recognized leader in the operation of large-scale open pit mines and is a partner in Valley Copper which operates Canada's largest open pit base metal mine.

Rio Algom obviously shares management's view that commercial development of Mt. Milligan would strongly impact on the bottom line of even the largest of mining companies. The purchase of Continental Gold's shares by Rio Algom is a signal to management that Rio Algom may continue acquisition of the Company's shares.

FINANCING AT \$9.50 COMPLETED

A recent private placement to NIM and Company at \$9.50 per share netted \$2,000,000. With corporate working capital of over \$3.5 million, the Company is well positioned to advance the Mt. Milligan Project through final feasibility and to a production decision. The Company has also opened discussions with leading Bank, Smelter and Engineering groups with regard to major interim and capital debt financing for the Project. At this stage further dilution to shareholder equity is not anticipated. The Company has 7,300,000 shares issued and outstanding.

INTERNATIONAL TRADE FOLLOWS MT. MILLIGAN PROJECT

The Company is pleased to provide the following information which has been extracted from a feature story on the Company's Mt. Milligan Project. International Mining of London, England recently stated the following:

MT. MILLIGAN, THE GOLDEN CHILD

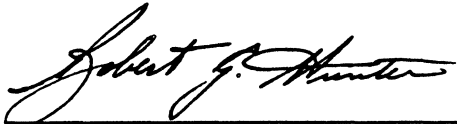
This recent discovery by Continental Gold (70%) and partner BP Resources Canada Limited (30%) though barely eight months old, is already being hailed as western Canada's largest gold deposit . . .

As further drilling continues, the reserves grow and the production costs fall - some child! When production starts in late 1992 the mine's annual output is expected to be 278,000 oz of gold and 29,000 tonnes of copper. At an estimated copper price of \$1.00/lb. the cash costs for gold production at today's prices will only be \$50/oz. This will make Mt. Milligan the lowest cost gold producer in North America and a leading Canadian gold producer, third only to Lac's Page Williams Mine (379,000 oz/yr) and Hemlo Gold's Golden Giant Mine (337,000 oz/yr). Mt. Milligan will also produce significant copper . . .

In the case of Mt. Milligan the facts speak for themselves. There is a solid and experienced management team, money in the bank, gold in the ground and a host of anxious senior mining companies waiting in the wings for an opportunity to become involved in what can only be described as a bonanza. It is no wonder that Mt. Milligan is the best kept secret to come out of a continent famous for its lack of quiet humility. BRAVO!

Enclosed with this update are a number of press articles and news releases which we hope will help shareholder's appreciate why Management of Continental Gold Corp. is extremely excited about the prospects for your Company.

Should you have any questions or require additional information, we encourage you to contact us. We value your continued support as a shareholder in Continental Gold Corp.



Robert G. Hunter, Chairman



Robert A. Dickinson, President



N E W S R E L E A S E

JULY 18, 1989

RIO ALGOM ACQUIRES CONTINENTAL SHARE BLOCK FROM HOMESTAKE

Robert G. Hunter, Chairman of Continental Gold Corp. announced today that Rio Algom Limited has notified the Company and the SEC by way of a Schedule 13D filing that it has reached an agreement to purchase 573,353 Continental Gold shares at a price of \$8 per share from Homestake Mining Company. In addition Rio Algom discloses purchases of 54,700 Continental Gold shares in the open market for a total holding of 628,053 shares or 8.6% of Continental Gold. The Rio Algom-Homestake agreement is to close July 24, 1989. Under the Agreement, should Rio Algom or any third party complete a formal bid for shares of Continental Gold Corp., Homestake will receive for a period of nine months subject to certain conditions, 75% - 100% of the bid price in excess of \$8 per share. In addition to the share purchase, Rio Algom has also purported to purchase Homestake's other rights pursuant to a June 30, 1988 agreement with the Company, which rights include Board representation and a pre-emptive right to purchase approximately 8% of future Continental Gold share issuances.

Rio Algom is one of several major mining companies that are closely following developments at Continental Gold's 70% controlled Mt. Milligan gold-copper deposit near Prince George, B.C. Rio Algom and parent RTZ Corporation are recognized world leaders in the operation of large-scale open pit mines. Rio Algom is a partner in Highland Valley Copper which operates Canada's largest open pit base metal mine. Rio Algom obviously shares management's view that commercial development of Mt. Milligan would strongly impact on the bottom line of even the largest of mining companies.

On-going drilling at Mt. Milligan has outlined a world class, disseminated gold-copper deposit 4,300 feet long, up to 3,100 feet wide and up to 880 feet thick. The deposit's geometry and massive reserves make it ideally suited for large-scale open pit development. Prefeasibility projections indicate average annual gold production in the range of 200,000 to 300,000 ounces and average annual copper production in the range of 60,000,000 to 100,000,000 pounds over a 10 to 15 year mine life.

Continental Gold Corp. has 7,367,923 shares outstanding and trades in Canada on the Vancouver Stock Exchange with symbol CNT and in the United States on NASDAQ with symbol CNTVF.

ON BEHALF OF THE BOARD

Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

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BACKGROUND

Rio Algom Limited

Rio Algom is the sixth-largest mining group in Canada. The company lost some of its status as one of Canada's largest miners during a do nothing period in the late '70s and early '80s. However, it is still an active participant in the minerals scene. Rio is the 51% owned subsidiary of RTZ Plc and with a recent change in senior management is planning to grow its mining interests through exploration, development and acquisitions.

Rio's strategic plan for the 1990s is to re-focus their efforts on the mining business, their traditional area of expertise. Principal mining interests are in uranium, potash, tin, and now copper, with the purchase of Lornex's share of the HVCJV. Rio's manufacturing interests in stainless and speciality steels are now available for sale and under option to Sammi of South Korea.

Rio allowed its exploration efforts to run down to almost nothing a decade ago. Today, the company does not have the pool of opportunities that some other firms have and will in all probability need to buy into new projects. Base and precious metals properties in North America are their preferred targets. With its own control secure, Rio Algom can be expected to be a buyer of mining assets when they become available.

Rio has plenty of cash, over \$400 million, plus the proceeds from the sale of the Atlas stainless steel business. With significant untapped financing ability Rio could undertake a sizeable acquisition. The current view is that their parent company, RTZ plc, would participate in an equity issue and keep its 50% ownership intact.

Philip S. Martin, Gordon Capital Corporation
The Canadian Mining Industry - Corporate
Development Strategies for the 1990's,
May 1989

TGR ✓
(Feb. 15/90) ✓



N E W S R E L E A S E

DECEMBER 21, 1989

MT. MILLIGAN TO MORE THAN DOUBLE BRITISH COLUMBIA'S GOLD OUTPUT

Robert G. Hunter, Chairman of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ), 69.84% owner and operator of the Mt. Milligan gold-copper property near Prince George, British Columbia is pleased to provide an update of developments.

Systematic drilling within the eastern one-third of a 6 square mile gold-copper sulphide system has delineated the largest undeveloped gold-copper deposit in North America. A project mineral reserve in excess of 300 million tons in two deposits has been established by 310,000 feet of drilling in 406 holes. The current mineral reserve, which contains over 5 million ounces of gold and 2 billion pounds of copper should generate revenues in excess of \$4 billion upon commercial production. Further drilling is planned after the Christmas holiday which should expand this reserve base (see Figure 1).

Fast track engineering, environmental and socio-economic studies are underway for a mine in the 50,000 ton per day range which is expected to produce up to 400,000 ounces of gold and 100,000,000 pounds of copper on an annual basis. Established infrastructure, combined with excellent deposit geometry, metallurgy and topography are well suited for large scale, low cost open pit mine development.

Within the 200 million ton Mt. Milligan gold-copper deposit an initial in-fill drill program has been completed. This program has confirmed excellent reserve continuity and grade (see Figure 2). New results include:

<u>Hole No.</u>	<u>Intercept Feet</u>	<u>Copper %</u>	<u>Gold oz/ton</u>
89-314	413.3	0.30	0.033
89-354	433.1	0.45	0.022
89-360	1265.7	0.27	0.016
89-368	1202.4	0.44	0.020
89-373	1069.2	0.21	0.036
89-380	846.5	0.37	0.014

The blanket-shaped Mt. Milligan deposit measures 4500 feet long 3100 feet wide and up to 880 feet thick.

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At least 7 high grade gold veins radiate from the Mt. Milligan disseminated gold-copper deposit. The average gold vein intercept is 15.6 feet with an average grade of 0.30 ounces gold/ton. Further drilling of gold veins is required to assess their extent. A recent vein intercept encountered in Hole 89-341 assayed 0.283 oz gold/ton over 59.1 feet.

In addition, 100 metre spaced drilling has begun to outline the Southern Star deposit, a newly discovered disseminated gold-copper deposit, located south of the Mt. Milligan deposit (see Figure 3). The Southern Star currently measures 3800 feet long and 1600 feet wide. Its present 100 million ton mineral reserve is open to further expansion. New results in the Southern Star area include:

<u>Hole No.</u>	<u>Intercept Feet</u>	<u>Copper %</u>	<u>Gold oz/ton</u>
89-330	597.1	0.27	0.008
89-339	341.2	0.25	0.013
89-359	249.3	0.30	0.014
89-363	408.1	0.45	0.010
89-365	242.8	0.34	0.011
89-367	275.6	0.40	0.013
89-369	164.0	0.56	0.014
89-381	278.2	0.34	0.008
89-382	484.6	0.46	0.031
89-386	190.3	0.29	0.021

Continental Gold is attempting to rapidly move BP Resources Canada Limited's law suit through the court process. The Company's legal advisors continue to be of the opinion that based on the facts BP's allegation is completely without merit.

ON BEHALF OF THE BOARD



Robert G. Hunter
President

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

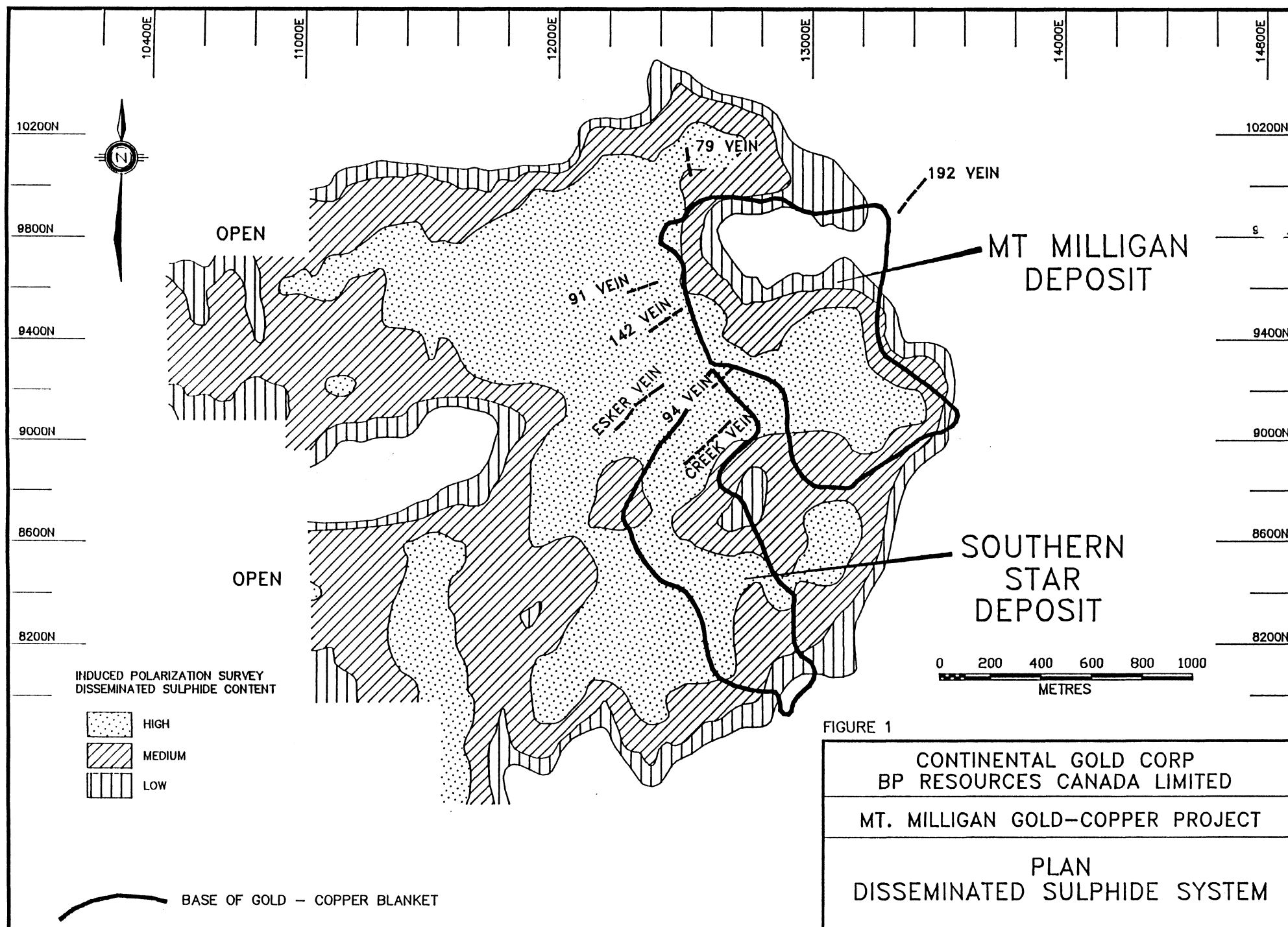
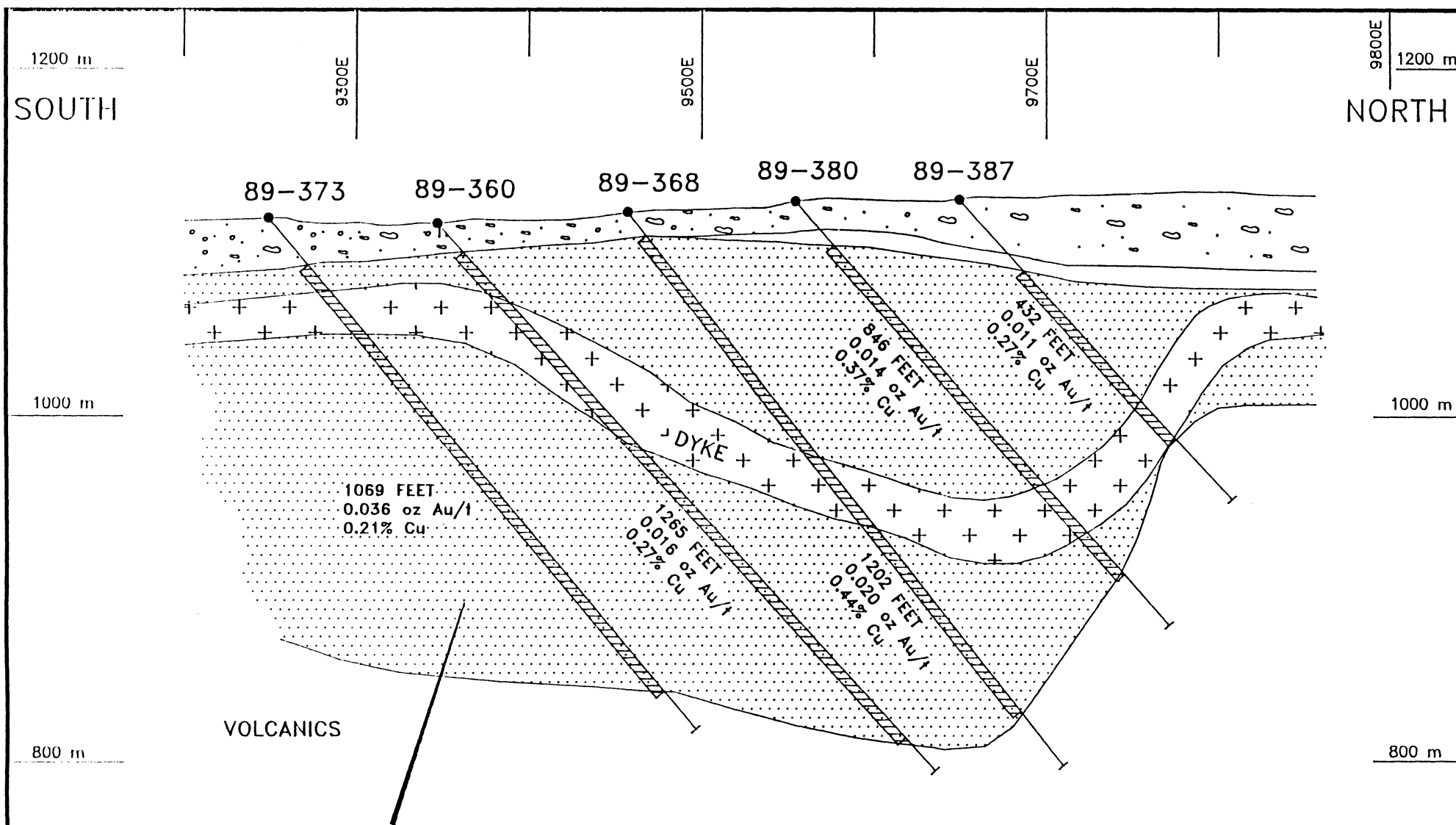


FIGURE 1

CONTINENTAL GOLD CORP
BP RESOURCES CANADA LIMITED

MT. MILLIGAN GOLD-COPPER PROJECT

PLAN
DISSEMINATED SULPHIDE SYSTEM



GOLD-COPPER DEPOSIT

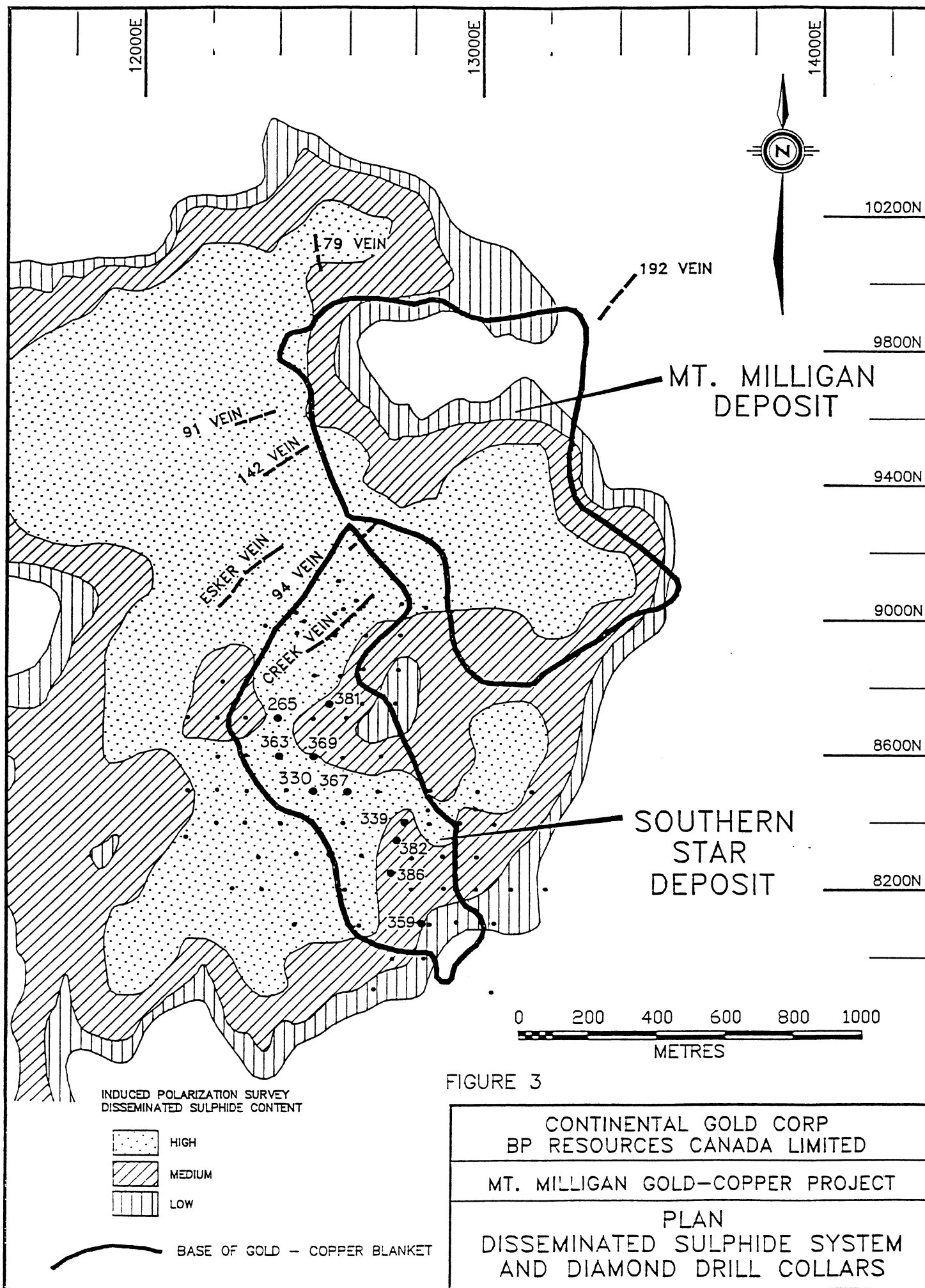


FIGURE 2

CONTINENTAL GOLD CORP
BP RESOURCES CANADA LIMITED

MT. MILLIGAN GOLD-COPPER PROJECT

VERTICAL LONG SECTION
L 130+50E (LOOKING WEST)
DRILL HOLES 89-360, 368, 373, 380, 387



YCS ✓
Feb. 15/90



NEWS RELEASE

JANUARY 30, 1990

CONTINENTAL GOLD TEAM PUTS MT. MILLIGAN DEVELOPMENT INTO HIGH GEAR

Robert G. Hunter, Chairman of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ) announced today that the Company's development team has commenced a \$7,100,000 feasibility and government permitting program for the Mt. Milligan gold-copper project near Prince George, British Columbia. In addition he announced that Rio Algom Limited has agreed to purchase an additional 24,997 shares at a price of \$10.00 per share pursuant to Rio Algom's pre-emptive right to participate in approximately 7.7% of all share issuances of the Company.

now 7
(Feb. 14/90)

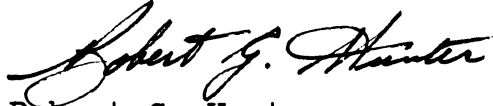
The Mt. Milligan project is a Continental Gold Corp. 69.84% - BP Resources Canada Limited 30.16% joint venture. Continental Gold is the operator. On-site, five drill rigs are completing condemnation, infill, delineation and bulk sample drilling. Off-site, mine, mill and feasibility engineering studies are underway. In the next few weeks the Company will begin the British Columbia Government production permitting process with the submittal of the project's first formal document.

Mt. Milligan is the largest undeveloped gold-copper deposit in North America. A project mineral reserve in excess of 300 million tons in two deposits has been established by 310,000 feet of drilling in 406 holes. The current mineral reserve, which contains over 5 million ounces of gold and 2 billion pounds of copper should generate revenues in excess of \$4 billion upon commercial production.

At a milling rate of 50,000 tons per day, the Mt. Milligan project will produce up to 400,000 ounces of gold and 100,000,000 pounds of copper on an annual basis. Established infrastructure, excellent deposit geometry, topography and metallurgy favorably combine at Mt. Milligan for large scale, low cost open pit mine development.

Continental Gold Corp. has 7,957,799 shares outstanding and trades in Canada on the Vancouver Stock Exchange with symbol CNT and in the United States on NASDAQ with symbol CNTVF.

ON BEHALF OF THE BOARD


Robert G. Hunter
President

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

CONTINENTAL GOLD CORP.

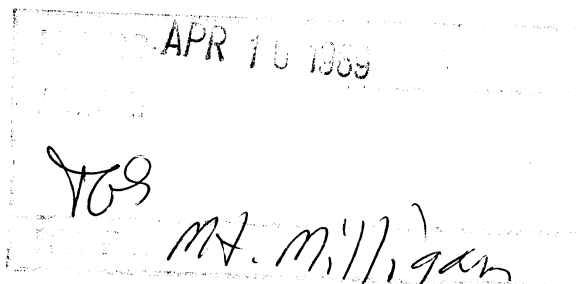
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✓
(Feb. 15/90)

NEWS RELEASE

APRIL 6, 1989



GOLD-COPPER RESERVES CONTINUE TO BUILD AT MT. MILLIGAN

Robert G. Hunter, Chairman of Continental Gold Corp. (CNT:V, CNTVF:NASDAQ) today reported further diamond drill hole assay results from the Mt. Milligan Project near Prince George, B.C. The project is a Continental Gold Corp. (70%) - BP Resources Canada Limited (30%) joint venture. Continental Gold Corp. is the operator.

Drilling is continuing to expand bulk tonnage reserves at the 66 (gold), MBX (gold-copper) and, West Breccia (copper-gold) zones. These deposits occur within a massive doughnut-shaped sulphide system measuring two miles in circumference (Figure 1). All zones remain open to extension. Untested gold-copper soil anomalies extend 5000 feet south and west of the zones (Figure 5).

Mt. Milligan is a world class gold-copper discovery. The 66 and MBX zones form a continuous blanket of disseminated gold-copper mineralization that is 3300 feet long, 1300 feet wide and up to 880 feet thick. The mineralized blanket is ideally suited for low cost open pit mine development.

Preliminary engineering has outlined drill indicated reserves in excess of 100,000,000 tons at an average grade of 0.025 ounces gold/ton and 0.35% copper. On going, wide-spaced, step-out drilling is continuing to expand on these reserves which contain over 3,000,000 ounces of gold and significant copper.

Metallurgical testwork indicates that Mt. Milligan mineralization is free milling. Conventional mill flotation and flotation-cyanidation processes have returned high levels of recovery for gold and copper.

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Mining and milling rates will be determined when the Mt. Milligan deposits are completely delineated. Preliminary engineering of current results suggests two possible operating scenarios. They are:

MT. MILLIGAN MINE DEVELOPMENT MODEL

Mill Rate (Tons/Day)	Mine Grade		Recovery %		Annual Production	
	Gold (oz/ton)	Copper (%)	Gold	Copper	Gold (Ounces)	Copper (Pounds)
1. 25,000	0.025	0.35	94.7	91.6	215,000	60,000,000
2. 35,000	0.025	0.35	94.7	91.6	305,000	83,000,000

Successful development of the well located Mt. Milligan Project will make Continental Gold Corp. one of the largest and lowest cost (US \$50/ounce cash cost after copper credits) gold producers in North America. A development update on each zone follows.

66 ZONE

The 66 Zone is a major gold deposit within the Mt. Milligan sulphide system. The presently defined zone is 2500 feet long and 1000 feet wide. It merges with MBX gold-copper mineralization to the north and is open to the south.

66 Zone gold mineralization is contained within a 600 foot thick, gently inclined panel of altered pyritic rock (Figure 2). This panel consists of an upright, northwest-trending core of higher grade gold mineralization that is flanked by lower grade material. Fourteen previously reported drill holes intersected this continuous 2400 foot long higher-grade core; results are listed below:

66 ZONE DRILL HOLE ASSAY SUMMARY

Hole	Intercept Width (Feet)	Grade	
		Copper %	Gold oz/ton
88-29	268	0.09	0.069
88-41	250	0.15	0.059
88-44	221	0.17	0.050
88-61	169	0.10	0.073
	246	0.12	0.045
88-66	258	0.05	0.062
89-74	102	0.07	0.035
89-77	308	0.17	0.045
89-83	263	0.01	0.038
89-84	284	0.06	0.063
89-88	210	0.06	0.067
89-92	361	0.02	0.052
89-101	213	0.07	0.038
89-103	321	0.21	0.045
89-108	237	0.33	0.028
Average	247 Feet	0.11%	0.052 oz/ton

New results from e 66 Zone are:

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-100	266	-41	874.8	60.0	874.8	814.8	Anomalous	Values
89-101	268	-44	1313.7	744.6	957.8	213.2	0.07	0.038
89-103	267	-44	1005.6	40.0	488.7	448.7	0.21	0.034
			(including)	167.3	488.7	321.4	0.21	0.045
				803.6	936.1	132.5	0.01	0.027
89-104	271	-46	1056.8	203.0	360.8	157.8	0.01	0.023
				843.6	1056.8	213.2	0.06	0.018
89-106	269	-44	923.8	124.0	267.7	143.7	0.22	0.011
89-107	266	-45	1356.6	400.2	459.2	59.0	0.40	0.008
				642.9	728.2	85.3	0.13	0.019
89-108	269	-45	1224.7	265.7	502.2	236.5	0.33	0.028
				856.1	1016.8	160.7	0.02	0.016

MBX ZONE

The MBX Zone is a massive, arcuate-shaped blanket of disseminated gold-copper mineralization on the east side the Mt. Milligan sulphide system (Figure 1). The zone is 1500 feet long and 1100 feet wide. To the south it grades into the gold-rich 66 Zone; it remains open to the north. The base of the gold-copper blanket is roughly parallel to and some 800 feet below the present surface (Figures 3 and 4). The near-surface position and tabular shape of the MBX Zone and others on the property make them ideally suited for low cost open pit mine development.

Fourteen previously reported, deep diamond drill holes penetrated the full thickness of the mineralized blanket. Results are listed below:

MBX ZONE DEEP DRILL HOLE ASSAY SUMMARY

Hole	Intercept Width (Feet)	Grade	
		Copper %	Gold oz/ton
88-42	570	0.28	0.023
88-60	460	0.41	0.047
88-65	545	0.38	0.012
88-67	380	0.26	0.012
88-68	885	0.39	0.017
88-70	822	0.37	0.015
89-71	700	0.27	0.011
89-73	568	0.16	0.013
89-76	841	0.24	0.012
89-80	400	0.22	0.023
89-98	555	0.31	0.012
89-99	665	0.31	0.024
89-105	679	0.47	0.023
<u>89-112</u>	<u>814</u>	<u>0.37</u>	<u>0.017</u>
Average	635 feet	0.32%	0.018 oz/ton

New results from the MBX Zone are:

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-102	271	-46	617.0	26.9	145.0	118.1	0.18	0.009
89-105	269	-55	1066.7	45.9	724.9	679.0	0.47	0.023
			(including)	45.9	301.8	255.9	0.59	0.032
				420.5	581.5	161.0	0.65	0.028
89-112	269	-46	1196.7	242.1	1056.2	814.1	0.37	0.017
			(including)	242.1	600.2	358.1	0.45	0.023
				706.5	1056.2	349.7	0.33	0.014

WEST BRECCIA ZONE

The newly discovered West Breccia copper-gold zone lies on the west side of the circular sulphide system. The zone, as defined on one drill section line, is 700 feet wide, in excess of 500 feet deep and is open to extension (Figure 4). Indications are that the West Breccia and MBX zones are continuous. New results from the West Breccia Zone are:

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-110	109	-45	1110.2	286.7	747.8	461.1	0.37	0.006

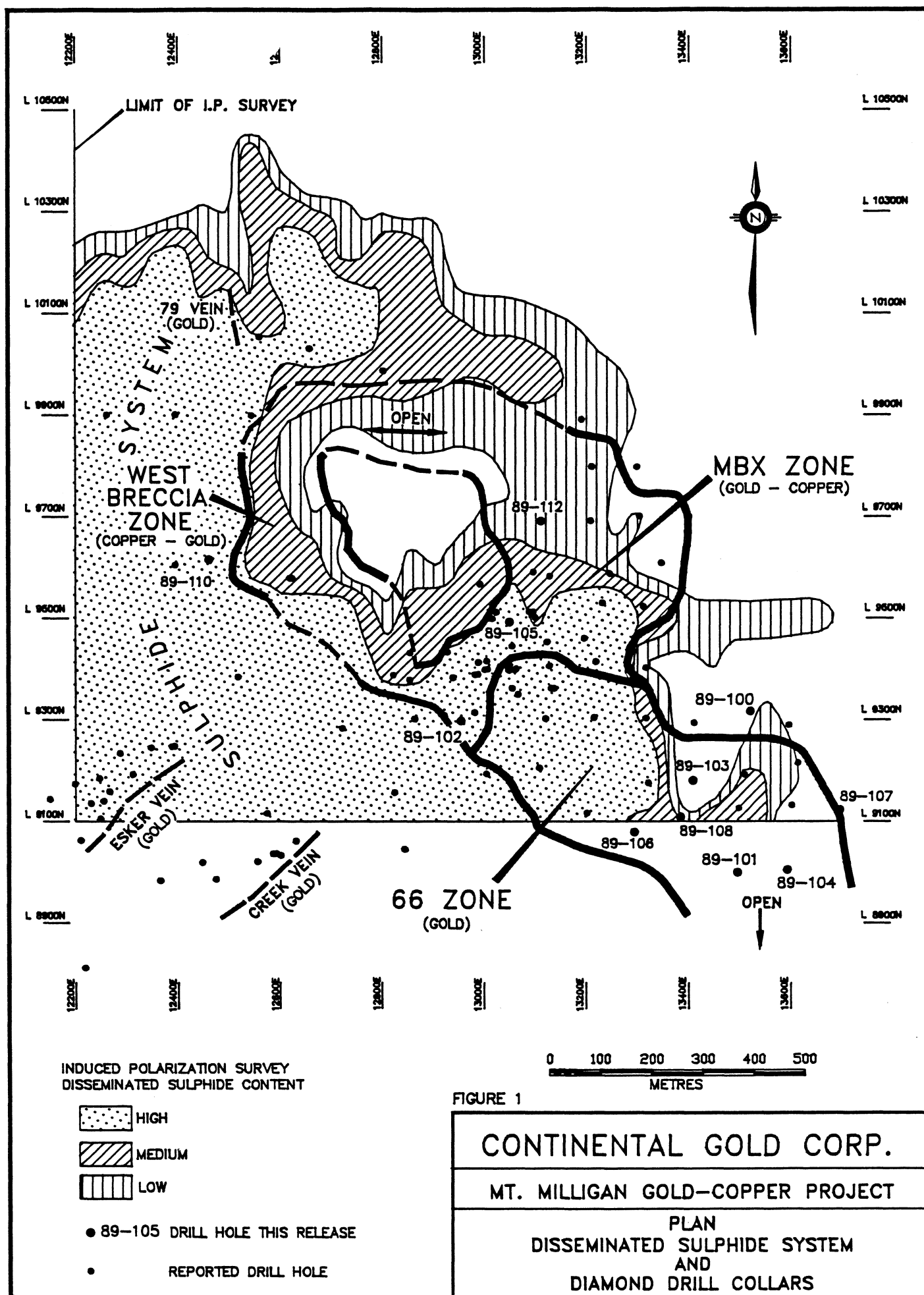
British Columbia is a recognized world leader in open pit mine development. Six large tonnage, open pit copper deposits currently operate on reserves with an average recoverable and payable value of \$9/ton (US \$1/lb. copper and US \$400/ounce gold). The average value at Mt. Milligan is \$17/ton.

ON BEHALF OF THE BOARD



Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.



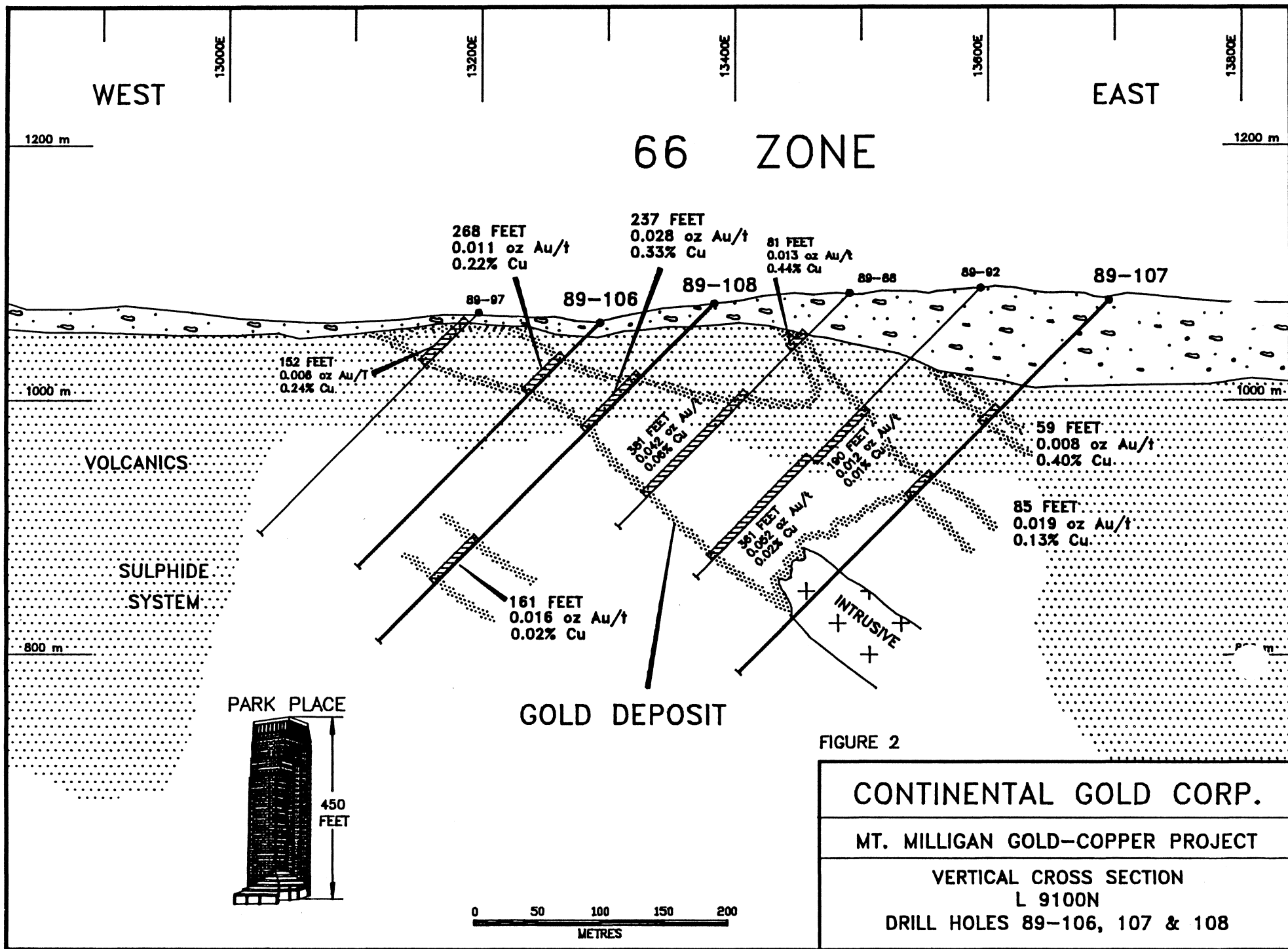


FIGURE 2

CONTINENTAL GOLD CORP.

MT. MILLIGAN GOLD-COPPER PROJECT

VERTICAL CROSS SECTION

L 9100N

DRILL HOLES 89-106, 107 & 108

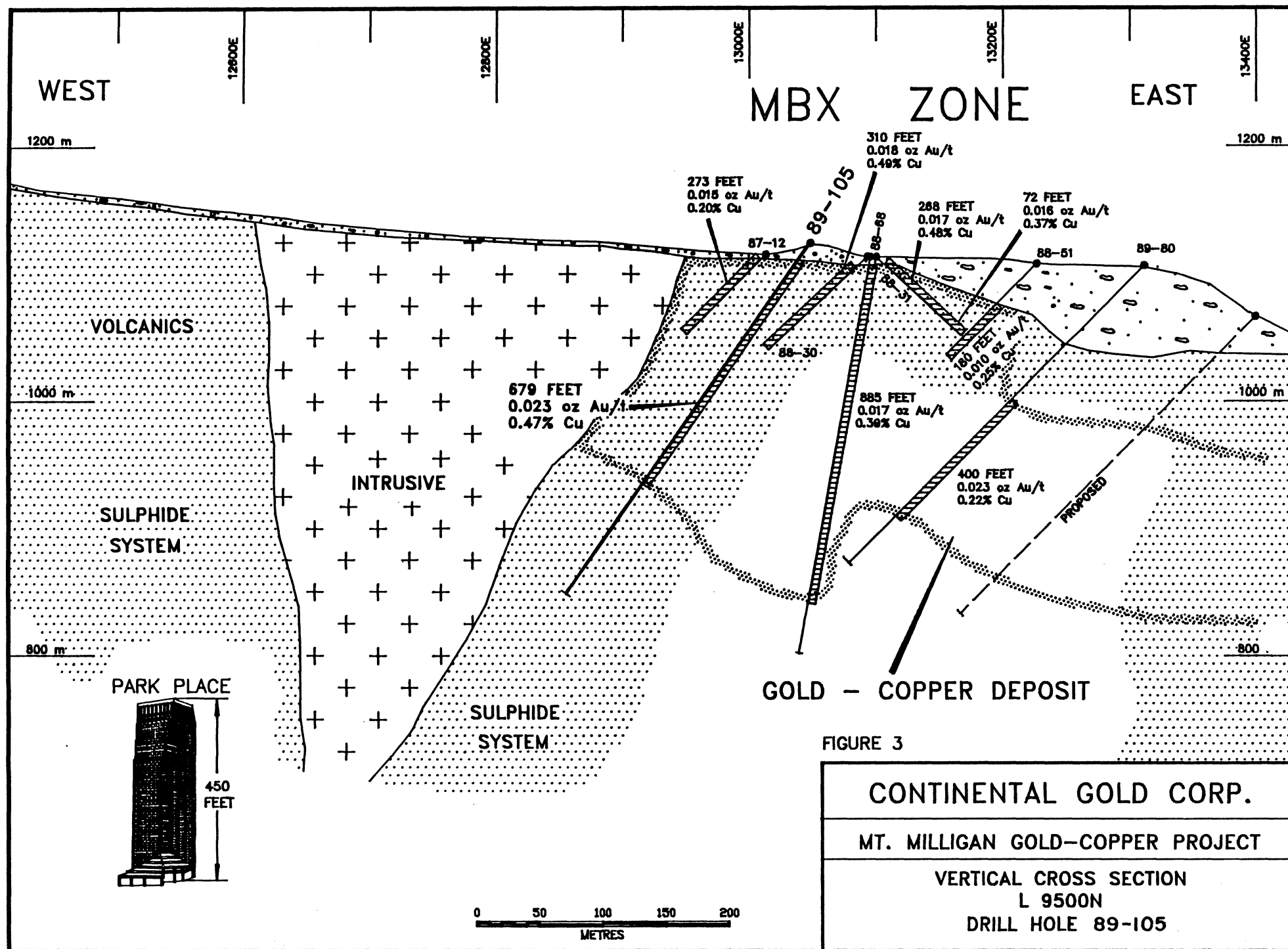
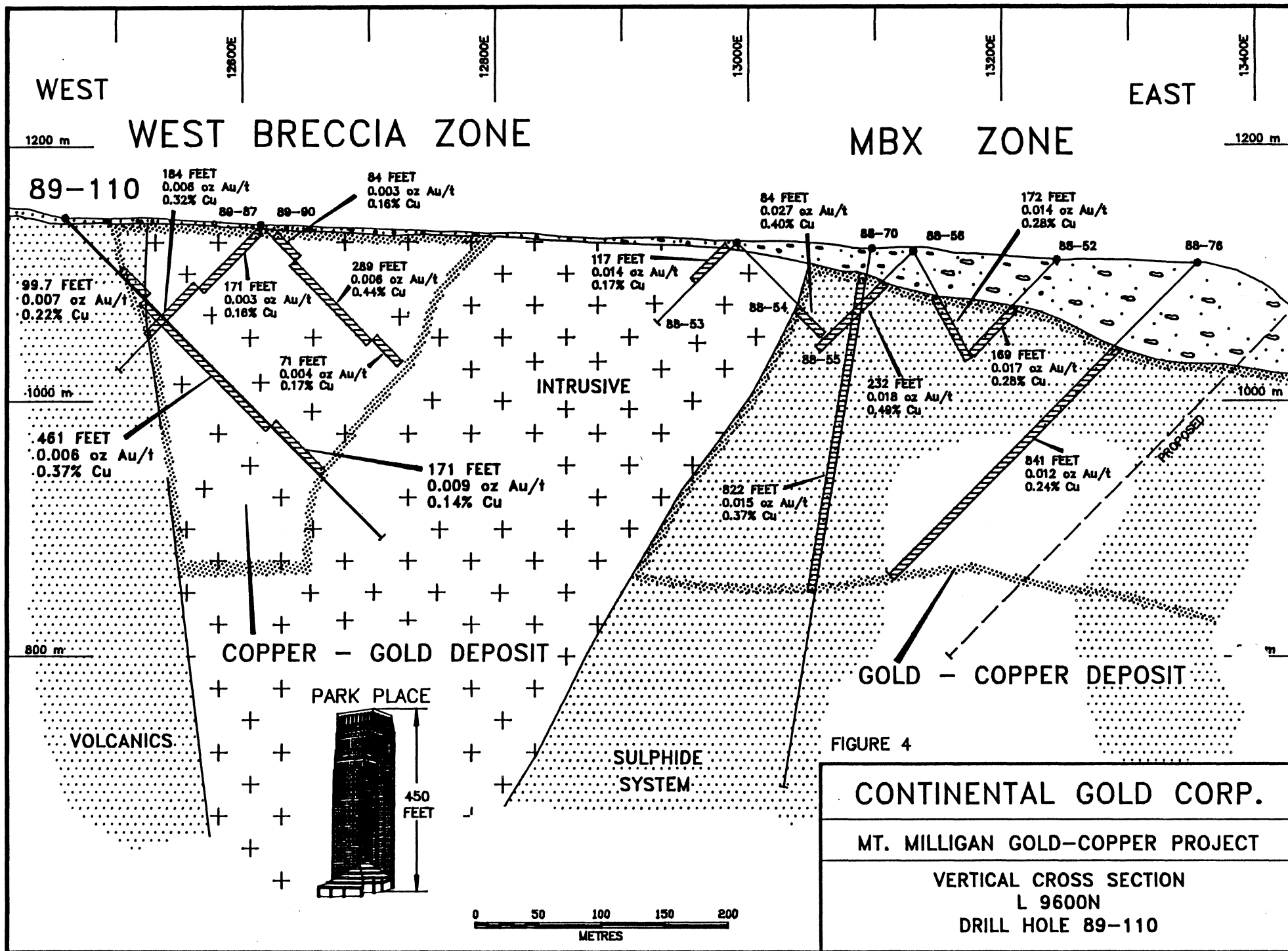


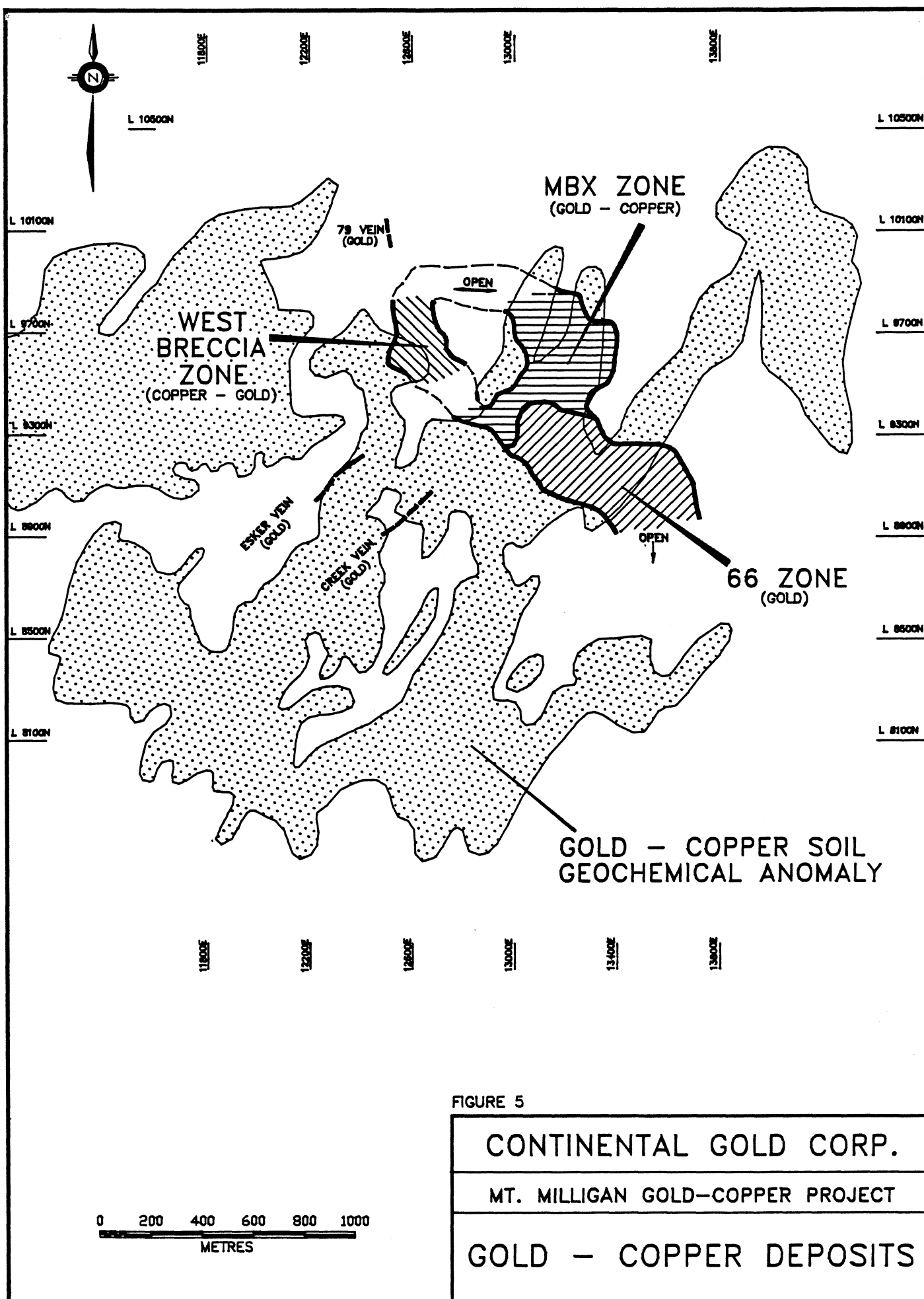
FIGURE 3

CONTINENTAL GOLD CORP.

MT. MILLIGAN GOLD-COPPER PROJECT

**VERTICAL CROSS SECTION
L 9500N
DRILL HOLE 89-105**







 N E W S R E

AUGUST 1, 1989

LOG NO:	AUG 14 1989	VAN	8
ACTION:	L E A S E		
FILE NO:	MY. Milligan		

GRADES RISE - TONNAGE BUILDS AT MT. MILLIGAN

Robert G. Hunter, Chairman of Continental Gold Corp. (CNT:V; CNTVF:NASDAQ) is pleased to announce further diamond drill hole results from the Mt. Milligan Project near Prince George, B.C. The project is a Continental Gold Corp. (70%) - BP Resources Canada Limited (30%) joint venture. Continental Gold Corp. is operator.

Delineation drill holes recently completed within the massive, blanket-shaped Mt. Milligan deposit have returned outstanding gold and gold-copper grades over long core lengths. Notable new results include:

<u>Zone</u>	<u>Hole No.</u>	<u>Intercept (Feet)</u>	<u>Copper %</u>	<u>Gold oz/ton</u>
66	89-184	297.1	0.02	0.107
MBX	89-185	1089.0	0.30	0.011
VEIN	89-192	45.9	0.34	0.325
MBX	89-197	498.6	0.43	0.053
MBX	89-198	531.4	0.44	0.052

Results confirm excellent reserve continuity and indicate a significant upgrading of the deposit's gold content. The deposit measures 4,300 feet long, up to 3,100 feet wide and up to 880 feet thick (Figure 1). Current reserves are in excess of 4,000,000 ounces of gold and 1.2 billion pounds of copper. Deposit geometry is ideally suited for low cost open pit mine development. Engineering studies under the direction of Cominco Engineering Services Limited are now in progress.

In addition, wide spaced drill holes have identified several radiating, high grade gold veins peripheral to the large scale disseminated deposit. A new vein discovery was made by drill hole

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LOG NO:	89 08 02 T4
ACTION:	Copy → www/HR/VAP/ Tom Scher/Ted Franklin
FILE NO:	

- 2 -

89-192 which cut 90.5 feet of 0.191 ounces gold/ton and 0.44% copper. Further work is required to establish continuity of veins on the property.

New results from widely spaced sites in the MBX Zone are:

MBX ZONE

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-178	089	-63	896.8 (including)	137.1 137.1	528.1 298.5	391.0 161.4	0.37 0.54	0.015 0.024
89-179	088	-47	626.8 (including)	150.9 387.0	626.8 626.8	475.9 239.8	0.35 0.55	0.017 0.025
89-181	270	-46	1273.3	160.1	724.9	564.8	0.38	0.012
89-182	181	-45	836.7 (including)	16.1 551.0	98.4 695.4	82.3 144.4	0.32 0.22	0.011 0.009
89-183	090	-70	1117.7	111.9	242.7	130.8	0.68	0.030
89-185	269	-46	1446.8	206.6	1295.6	1089.0	0.30	0.011
89-186	089	-45	1806.5	944.6 1331.7	1193.9 1745.0	249.3 413.3	0.36 0.28	0.032 0.015
89-188	000	-90	897.8	120.1 577.3	164.0 770.8	43.9 193.5	0.28 0.25	0.009 0.004
89-190	270	-45	1326.8	1036.5	1292.3	255.8	0.34	0.008
89-191	270	-45	164.0	hole lost				
89-194	270	-45	1226.7	225.0 790.5	574.0 1066.0	349.0 275.5	0.40 0.22	0.020 0.009
89-196	180	-45	806.8	13.1	357.5	344.4	0.10	0.010
89-197	270	-45	1226.7 (including)	84.9 84.9 452.6	951.2 400.2 951.2	866.3 315.3 498.6	0.42 0.47 0.43	0.036 0.016 0.053
89-198	92	-44	1386.8 (including)	275.5 275.5	1115.2 806.9	839.7 531.4	0.39 0.44	0.039 0.052

- 3 -

192 VEIN ZONE

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-192	266	-47	1386.8	509.7	600.2	90.5	0.44	0.191
			(including)	554.3	600.2	45.9	0.34	0.325

New results from widely spaced sites within the 66 Zone are:

66 ZONE

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-180	267	-46	664.8	249.3	305.0	55.7	0.41	0.008
				370.6	636.3	265.7	0.14	0.046
89-184	268	-45	929.8	558.3	855.4	297.1	0.02	0.107
			(including)	558.3	776.7	218.4	0.03	0.132
89-187	270	-44	102.0	hole lost				
89-189	270	-46	1011.6	no significant values - in intrusive				
89-193	268	-41	605.8	226.3	605.8	379.5	0.16	0.017
			(including)	226.3	488.7	262.4	0.20	0.018
89-195	267	-45	1149.7	633.0	908.6	275.6	0.02	0.012

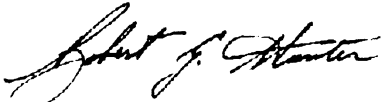
Drilling with four rigs is continuing. Engineering, environmental and socioeconomic studies are in progress. A recent airborne geophysical survey over the entire 42 square mile property identified many anomalous areas for follow up work. Further, recent ground geophysical surveys south and west of the Mt. Milligan deposit, over broad soil geochemical anomalies, have identified new deposit targets as follows:

1. a 1200 foot southern extension to the 66 gold zone (drill testing in progress)
2. a major sulphide system centered 3,300 feet southwest of the Mt. Milligan deposit (drill testing in progress)
3. a major sulphide system centered 5,500 feet west of the Mt. Milligan deposit (drilling to commence soon)

- 4 -

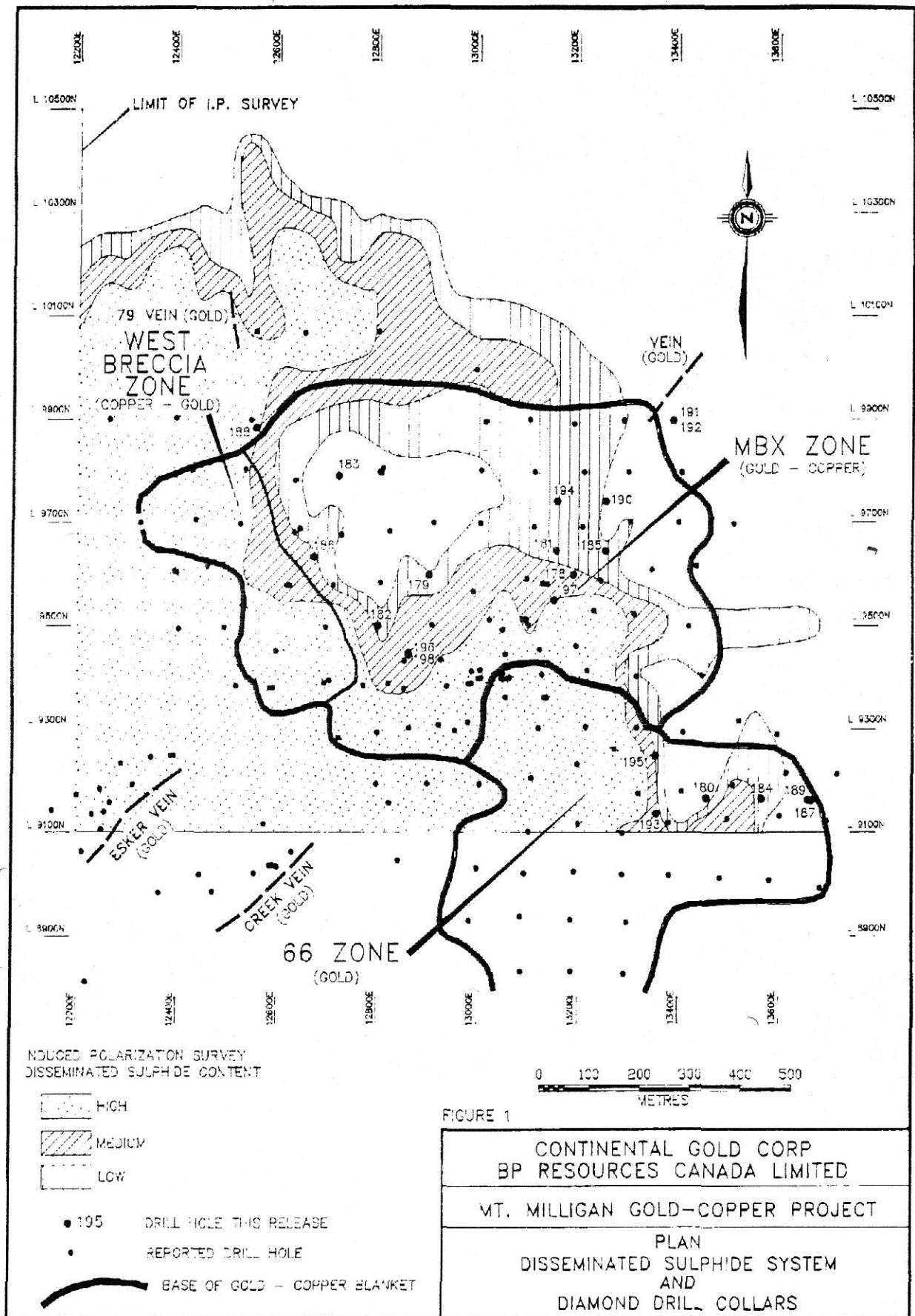
There is no doubt that, although over 160,000 feet of drilling in 210 holes has been completed with a success ratio of over 90% in recent months at Mt. Milligan, exploration of this immense gold-copper system has just begun.

ON BEHALF OF THE BOARD

A handwritten signature in cursive script, appearing to read "Robert G. Hunter".

Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.





N E W S R E L E A S E

APRIL 13, 1989

LOG NO: APR 18 1989	VAN
ACTION:	
968	
FILE NO: Mt. Milligan	

GOLD-COPPER RESERVES CONTINUE TO BUILD

Robert A. Dickinson, President of Continental Gold Corp. (CNT:V, CNTVF:NASDAQ) is pleased to announce further diamond drill hole assay results from the Mt. Milligan Project near Prince George, B.C. The Project is a Continental Gold Corp. (70%) - BP Resources Canada Limited (30%) joint venture. Continental Gold is the operator.

New results are:

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-115	270	-45	1086.7	280.0	1004.7	724.7	0.32	0.019
				280.0	553.7	273.7	0.33	0.020
				685.5	1004.7	319.2	0.38	0.014

Hole 89-115 is the northwestern most hole drilled in the MBX Zone area and shows the Zone is open to the northwest. On going drilling is underway to determine if the MBX Zone is contiguous with the West Breccia Zone located 1500 feet to the west around the northern portion of the doughnut shaped sulphide system.

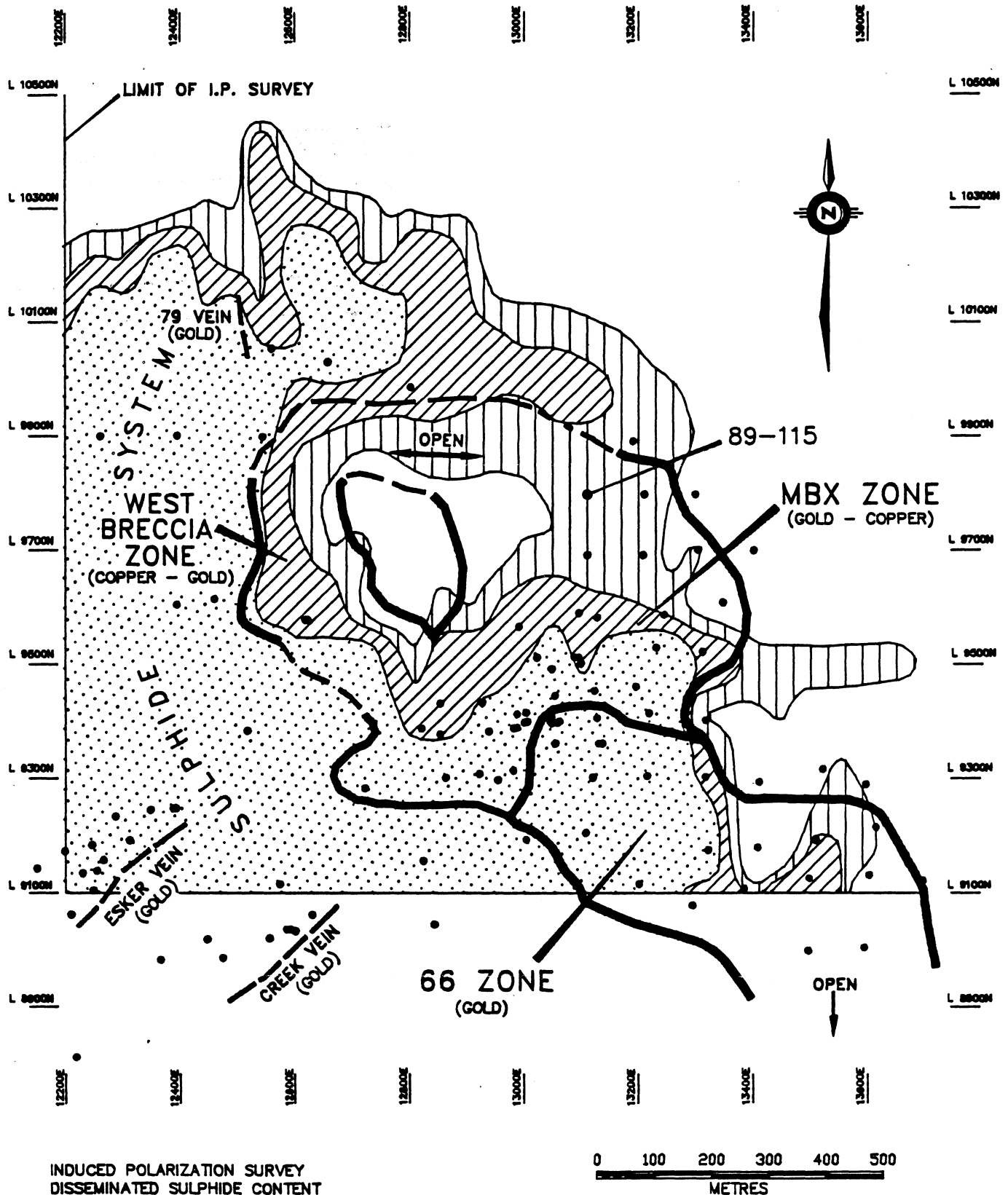
ON BEHALF OF THE BOARD

Robert A. Dickinson
President

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.

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MAR 15 1989

MARCH 13, 1989

TOL
MT. MILLIGAN

NEWS RELEASE

ANOTHER DEPOSIT DISCOVERED AT MT. MILLIGAN

Robert G. Hunter, Chairman of Continental Gold Corp. (CUG:V) and United Lincoln Resources Inc. (ULN:V, ULNNF:NASDAQ) announced today that results from drill hole 89-90 confirm that a significant copper-gold deposit is probable in the area of hole 89-87 announced earlier. The new discovery has major tonnage potential and is called the West Breccia Zone. It lies 1,500 feet west of the MBX Gold-Copper Zone, on the west side of a circular sulphide system measuring 2 miles in circumference.

Assay results are:

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-90	093	-45	496.9	54.0	496.9	442.9	0.33	0.005
			(including)	137.8	426.4	288.6	0.44	0.006

Step out drilling is continuing at the West Breccia Copper-Gold Zone, the MBX Gold-Copper Zone and the 66 Gold Zone.

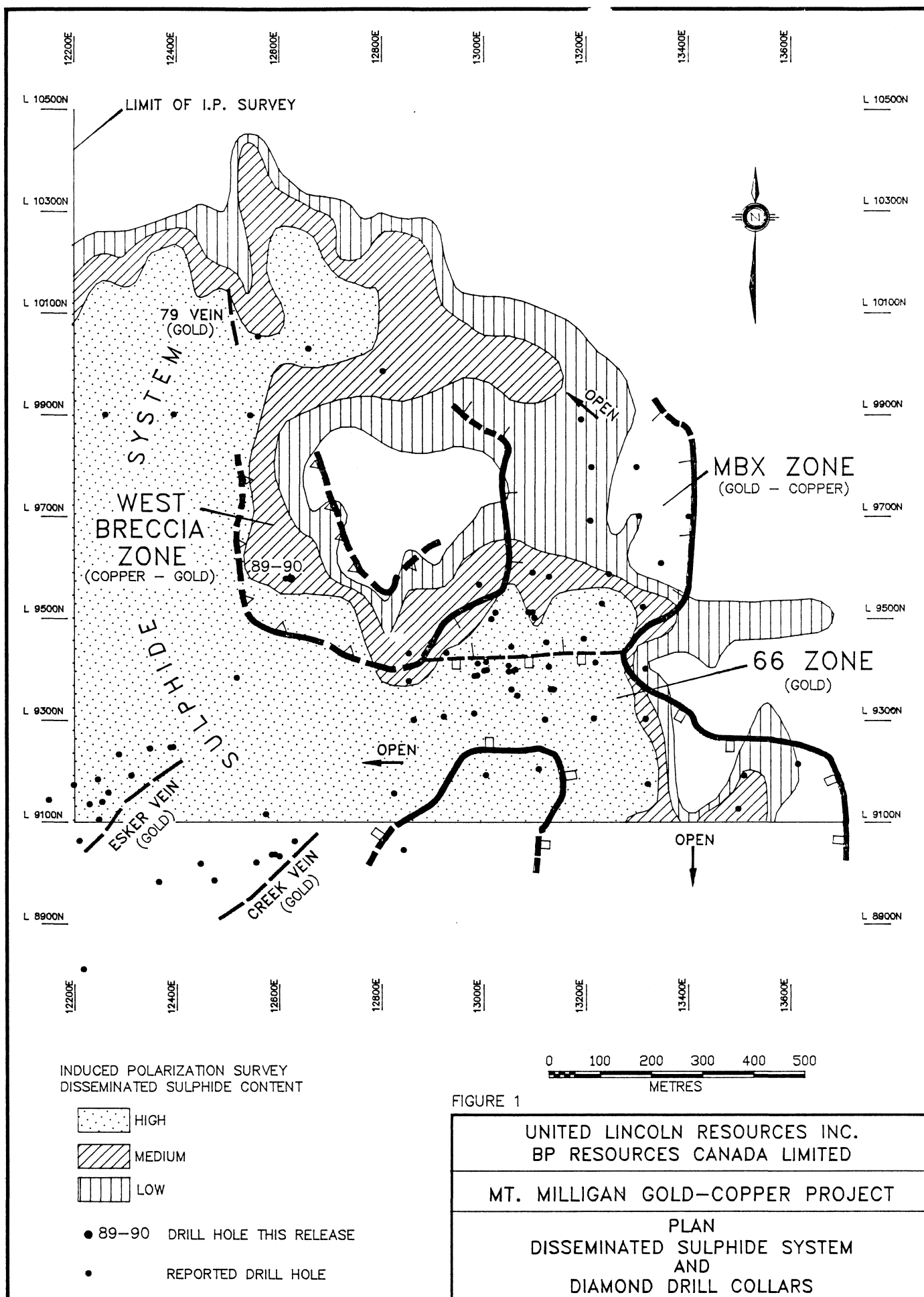
The shareholders of United Lincoln and its parent Continental Gold Corp. have approved the amalgamation of the two companies. Regulatory approval is expected on Wednesday, March 15, 1989. The amalgamated entity will continue to be called Continental Gold Corp. with the new trading symbol (CNT:V).

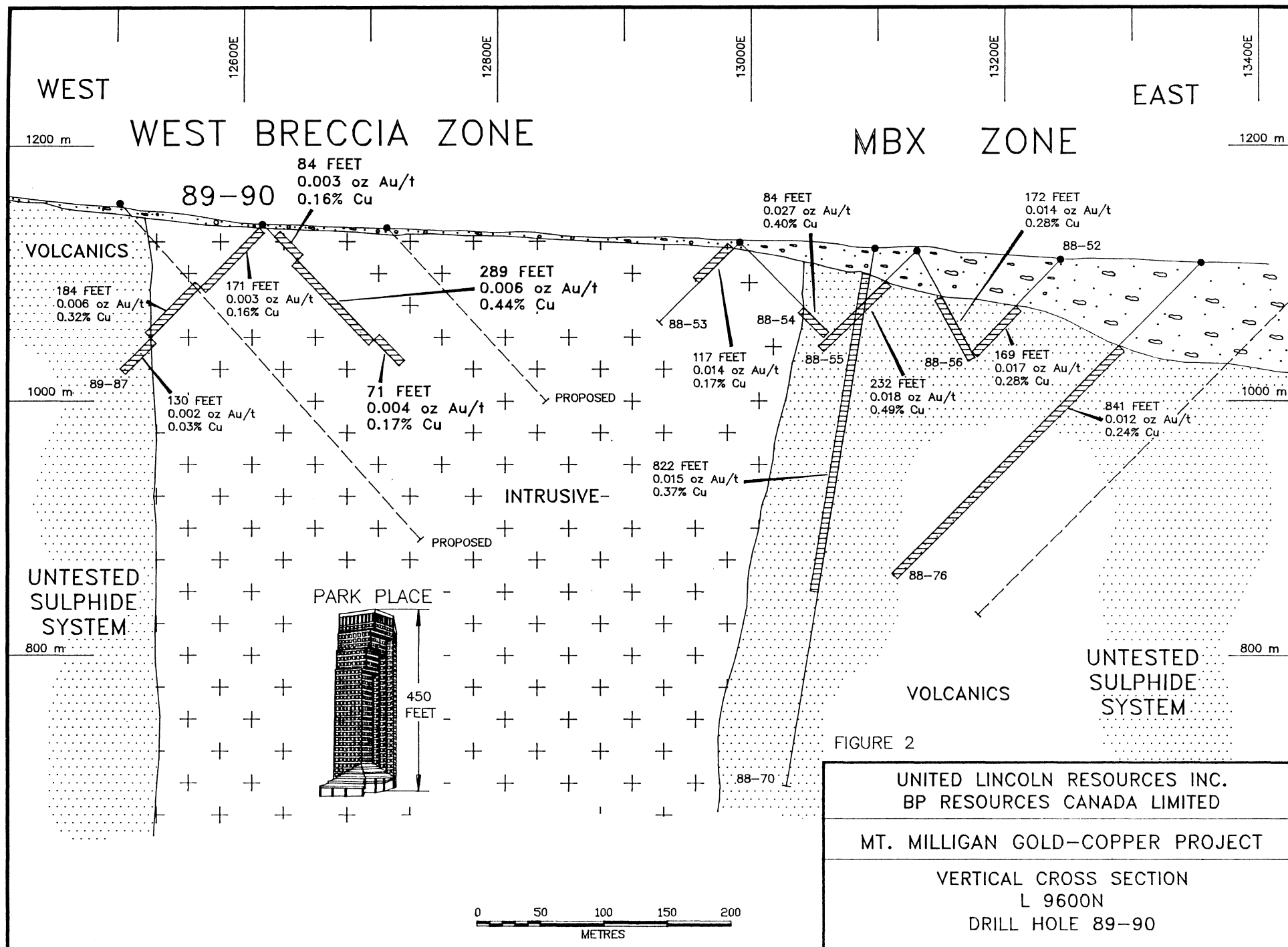
ON BEHALF OF THE BOARD

Robert G. Hunter

Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.





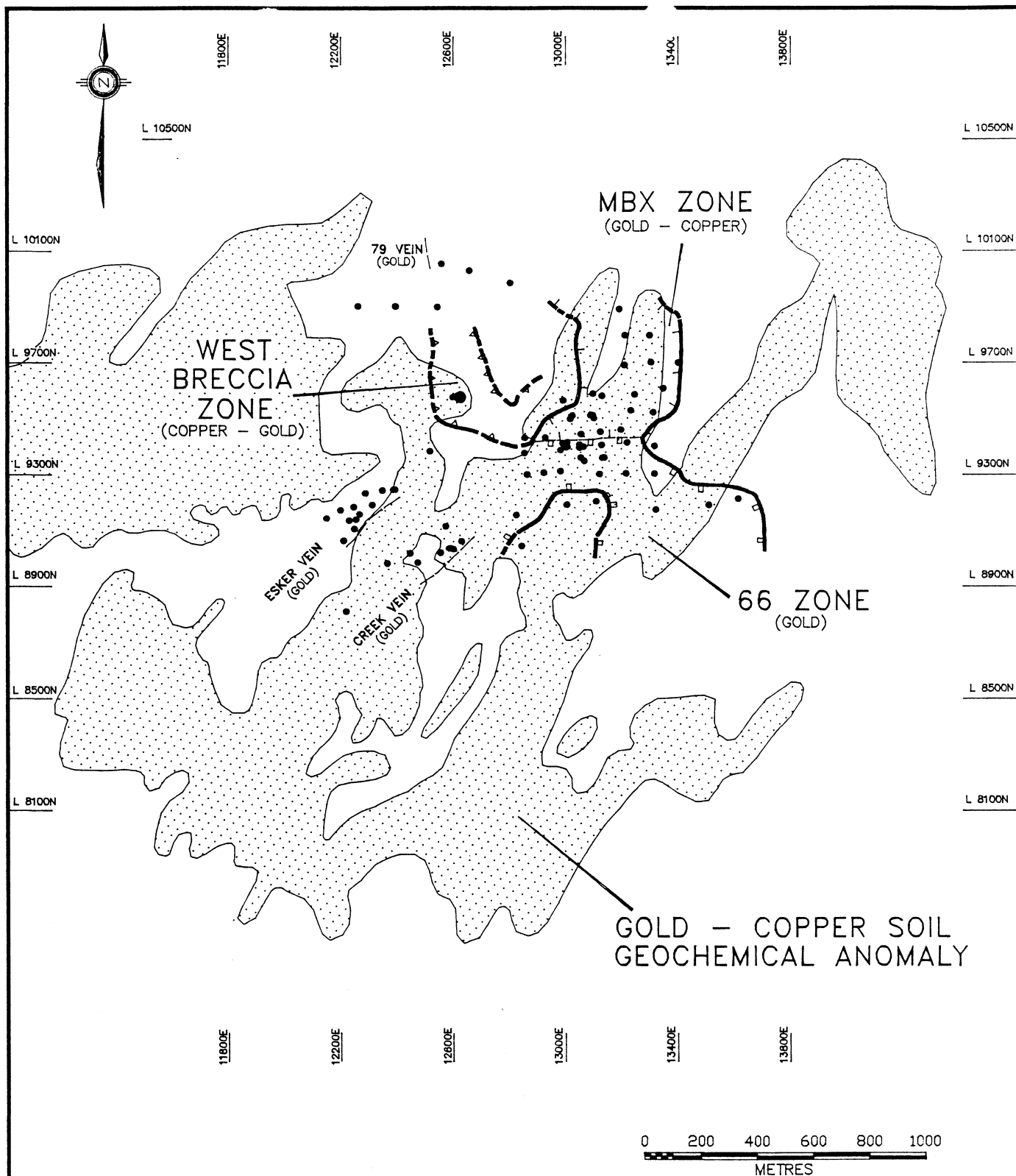


FIGURE 3

UNITED LINCOLN RESOURCES INC.
BP RESOURCES CANADA LIMITED

MT. MILLIGAN GOLD-COPPER PROJECT

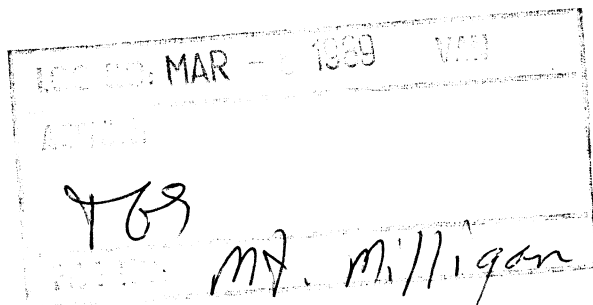
PLAN
DISSEMINATED SULPHIDE SYSTEM
AND
DIAMOND DRILL COLLARS

- REPORTED DRILL HOLE
- DRILL HOLE THIS RELEASE

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MARCH 6, 1989



NEWS RELEASE

SUCCESSFUL DRILLING CONTINUES AT MT. MILLIGAN

Robert G. Hunter, Chairman of Continental Gold Corp. (CUG:V) and United Lincoln Resources Inc. (ULN:V, ULNNF:NASDAQ) announced today that an on-going, wide spaced, three drill program at Mt. Milligan continues to dramatically expand open pit reserves of the 66 Zone gold deposit and adjacent MBX Zone gold-copper deposit.

In addition to the 66 and MBX Zones, the program has discovered two new zones; a bulk tonnage copper-gold zone and a high-grade gold vein system. All of the deposits are open to extension within a large, circular sulphide system measuring over 2 miles in circumference. Drilling is continuing.

The Mt. Milligan property is a 70% United Lincoln Resources Inc., 30% BP Resources Canada Limited joint venture. United Lincoln is project operator.

66 ZONE

The 66 Zone is a disseminated gold deposit that currently measures 1300 feet long and 1600 feet wide (Figure 1). The Zone is open to extension in two directions and at depth (Figures 1 and 2). The 66 Zone grades into the gold-copper MBX Zone to the north. Extensive drilling is planned to determine the south and west limits of the 66 Zone. Untested gold-copper soil anomalies extend for 5000 feet south and west of the current 66 Zone drill area (Figure 3).

New results from the 66 Zone are:

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-81	261	-45	912.8 (including)	56.7	912.8	856.1	0.09	0.014
				56.7	462.5	405.8	0.15	0.012
				739.0	912.8	173.8	0.04	0.029
89-83	257	-45	965.3 (including)	170.9	965.3	794.4	0.03	0.020
				457.6	899.4	441.8	0.01	0.029
				951.9	965.3	13.4	0.15	0.094
89-84	259	-45	1127.7 (including)	123.0	1127.7	1004.7	0.07	0.023
				314.9	938.1	623.2	0.08	0.035
				469.0	752.8	283.8	0.06	0.063
89-88	276	-45	816.7 (including)	142.0	816.7	674.7	0.11	0.029
				142.0	223.0	81.0	0.44	0.013
				373.9	754.4	380.5	0.06	0.042
				459.2	669.1	209.9	0.06	0.067

MBX ZONE

The MBX gold-copper zone is located on the eastern side of the circular sulphide system and currently measures 1600 feet long and up to 1200 feet wide. Two deep drill tests have intersected gold-copper mineralization to depths of over 850 feet. The deposit is open. New results from the eastern edge of the MBX Zone are:

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-71	270	-45	1114.2	254.9	1114.2	859.3	0.24	0.010
89-72	270	-45	987.6	299.8	987.6	687.8	0.18	0.007
89-73	270	-45	1203.8 (including)	315.9	1203.8	887.9	0.12	0.009
				437.2	764.2	327.0	0.19	0.015
89-76	270	-45	1134.9	293.9	1134.9	841.0	0.24	0.012
89-80	270	-45	985.6 (including)	252.9	985.6	732.7	0.20	0.015
				433.0	832.5	399.5	0.22	0.023

A new bulk tonnage copper-gold zone located 1,200 feet west of the MBX Zone and on the western side of the circular sulphide system has been intersected by hole 89-87 (Figure 2). Results are:

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-87	260	-48	516.9	202.7	386.7	184.0	0.32	0.006

79 VEIN

A high-grade gold vein system is indicated by drill hole 89-79 located 2600 feet northwest of the MBX Zone. Results are:

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-79	288	-45	586.8	505.1	518.2	13.1	0.20	0.64

OUTSIDE OF ZONES

Recent exploratory drill holes which did not intersect significant mineralization are:

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-75	288	-45	665.2	216.0	665.2	449.2	anomalous values	
89-78	288	-45	500.0	74.0	500.0	426.0	anomalous values	
89-82	270	-45	586.8	216.9	537.9	321.0	0.13	0.006
89-85	270	-45	536.9	95.0	536.9	441.9	anomalous values	
89-86	270	-45	506.8	23.0	506.8	483.8	anomalous values	

Preliminary metallurgical testwork on samples from the 66 Zone has shown gold to occur as fine free grains or on the boundaries of pyrite grains which indicates high gold recoveries can be expected.

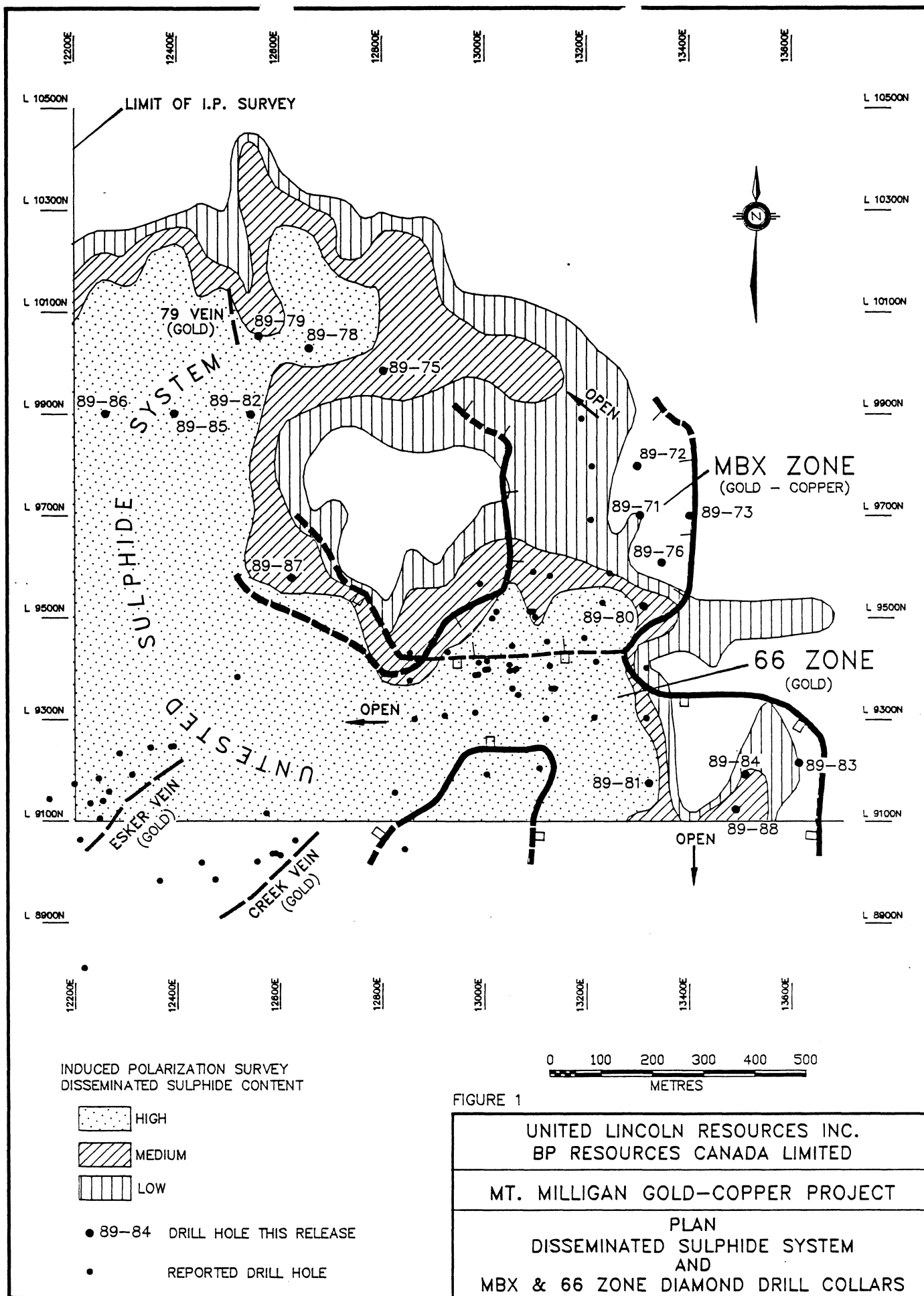
The shareholders of United Lincoln and its parent Continental Gold Corp. have approved the amalgamation of the two companies. Regulatory approval is expected shortly. The new amalgamated entity will be called Continental Gold Corp.

ON BEHALF OF THE BOARD

A handwritten signature in cursive script, appearing to read "Robert G. Hunter".

Robert G. Hunter
Chairman

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.



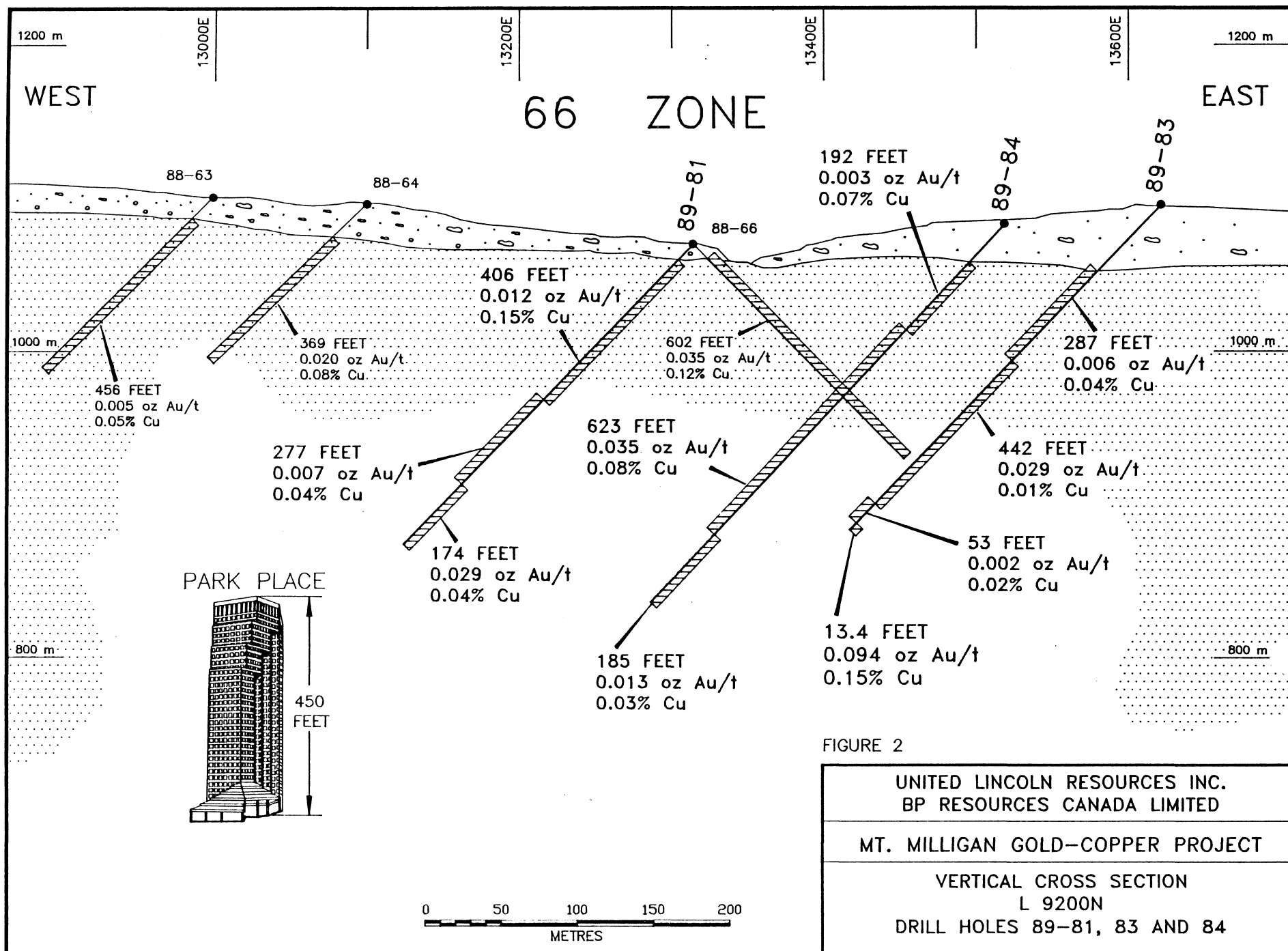


FIGURE 2

UNITED LINCOLN RESOURCES INC.
BP RESOURCES CANADA LIMITED

MT. MILLIGAN GOLD-COPPER PROJECT

VERTICAL CROSS SECTION
L 9200N

DRILL HOLES 89-81, 83 AND 84

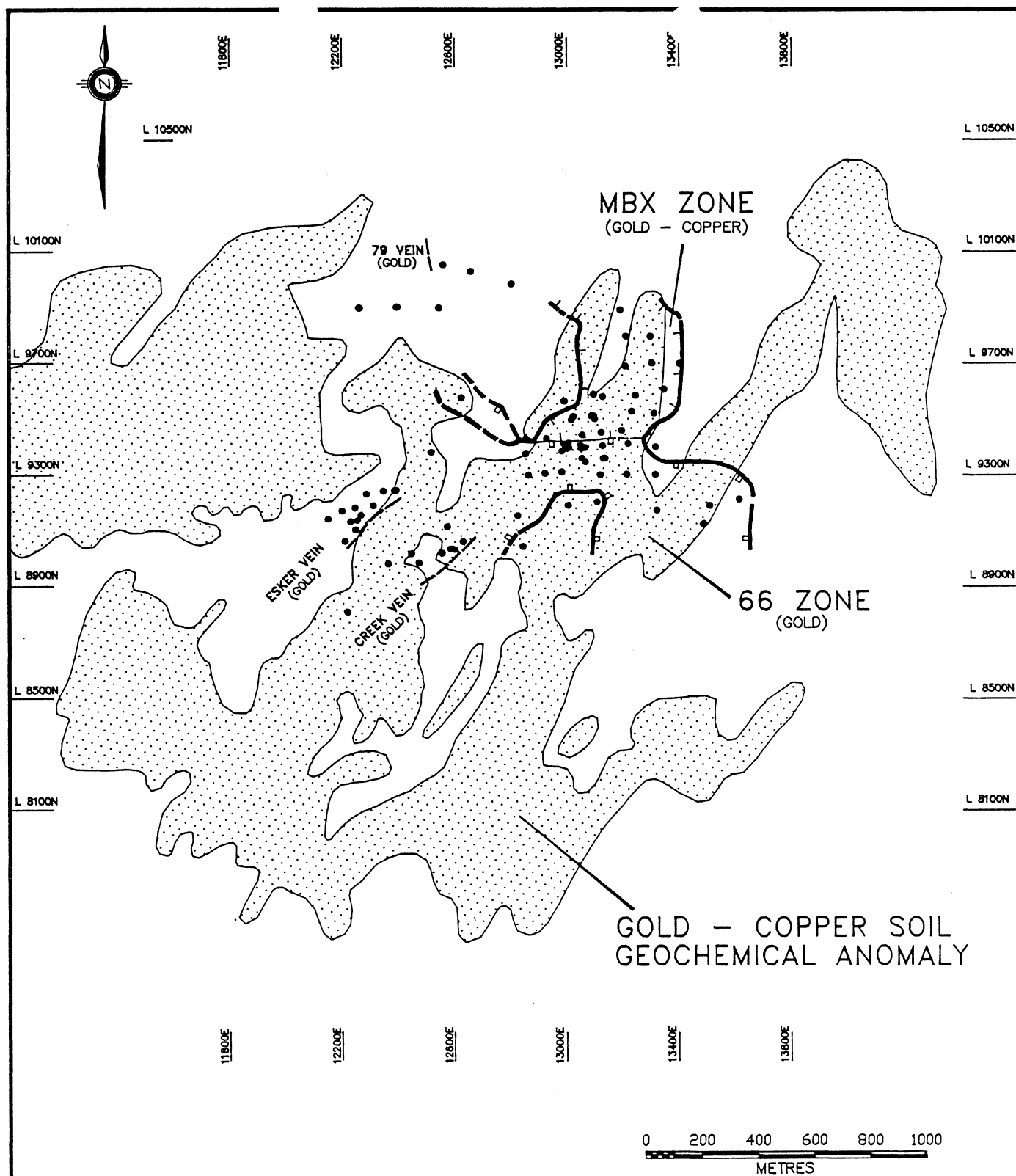


FIGURE 3

• REPORTED DRILL HOLE

UNITED LINCOLN RESOURCES INC.
BP RESOURCES CANADA LIMITED

MT. MILLIGAN GOLD-COPPER PROJECT

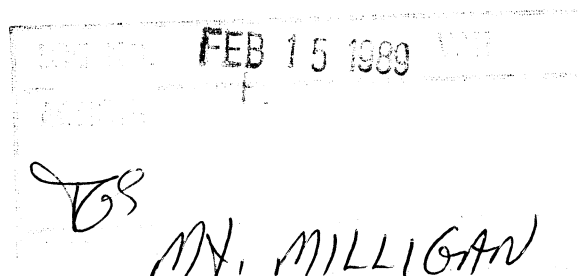
PLAN
DISSEMINATED SULPHIDE SYSTEM
AND
MBX & 66 ZONE DIAMOND DRILL COLLARS

Prepared by: RWR Mineral Graphics Ltd.

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FEBRUARY 14, 1989



NEWS RELEASE

DRILL HOLES CONFIRM MAJOR GOLD ZONE

Robert G. Hunter, a Director of Continental Gold Corp. (VSE:CUG) and its 69% owned subsidiary United Lincoln Resources Inc. (VSE:ULN, NASDAQ:ULNNF) today announced assay results for two additional holes from the on-going drill program at the Mt. Milligan property. The Mt. Milligan gold-copper project is near MacKenzie, B.C. and is an United Lincoln (70%) - BP Resources Limited (30%) joint venture. United Lincoln is operator. Results are:

Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
89-74	270	-45	1190.6 (including)	209.9	1190.6	980.7	0.02	0.010
				209.9	311.6	101.7	0.07	0.035
				311.6	433.3	121.7	0.04	0.007
				433.3	688.8	255.5	0.02	0.008
				688.8	856.1	167.3	0.01	0.019
				856.1	1190.6	334.5	0.02	0.006
89-77	270	-45	865.9 (including)	93.2	865.9	772.7	0.11	0.023
				93.2	143.0	49.8	0.09	0.007
				143.0	261.7	118.7	0.15	0.012
				143.0	569.7	426.7	0.16	0.036
			(including)	261.7	569.7	308.0	0.17	0.045
				569.7	865.9	296.2	0.03	0.006

The reported holes extend the zone of gold mineralization first cut in **Holes 88-61 (720 feet at 0.036 ounces/ton) and 88-66 (602 feet at 0.035 ounces/ton)**. Results to date indicate that the 66 ZONE is 1600 feet wide and 1100 feet long (Figure 1). The zone is open to extension to the south and west. It merges with MBX ZONE gold-copper mineralization to the north (Figure 1).

Two drills are now at work on systematic 100 metre step-out holes in the 66 ZONE (Figure 2). A third rig is testing the western flank of the circular sulphide system.

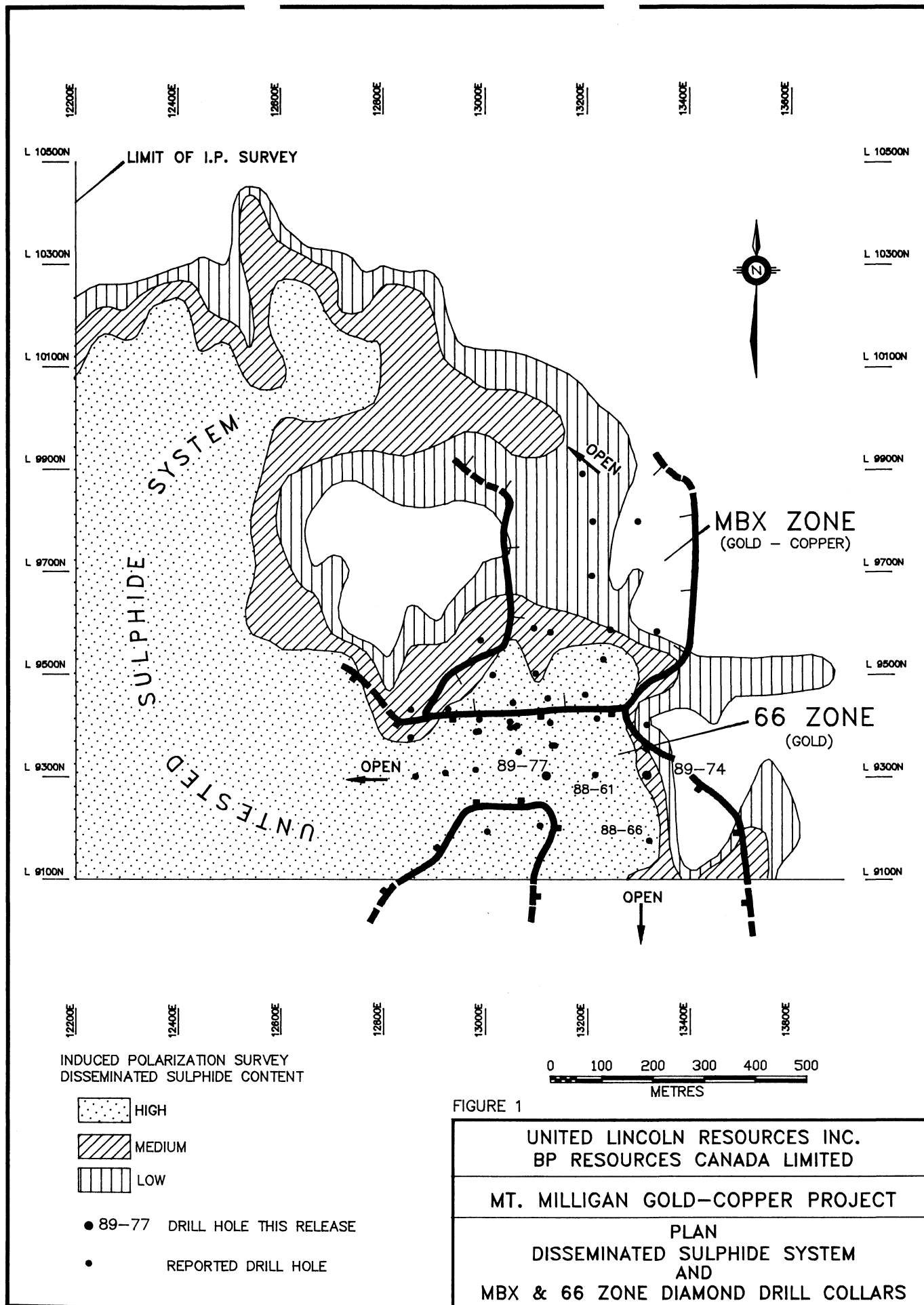
Continental Gold Corp. and United Lincoln Resources Inc. plan to amalgamate on a one share for one share basis in March 1989. On gifting back of inter-company share holdings there will be approximately 6,984,073 common shares of the amalgamated entity issued and outstanding.

ON BEHALF OF THE BOARD

A handwritten signature in cursive script, reading "Robert G. Hunter".

Robert G. Hunter
Director

The Vancouver Stock Exchange has neither approved nor disapproved the information contained in this news release.



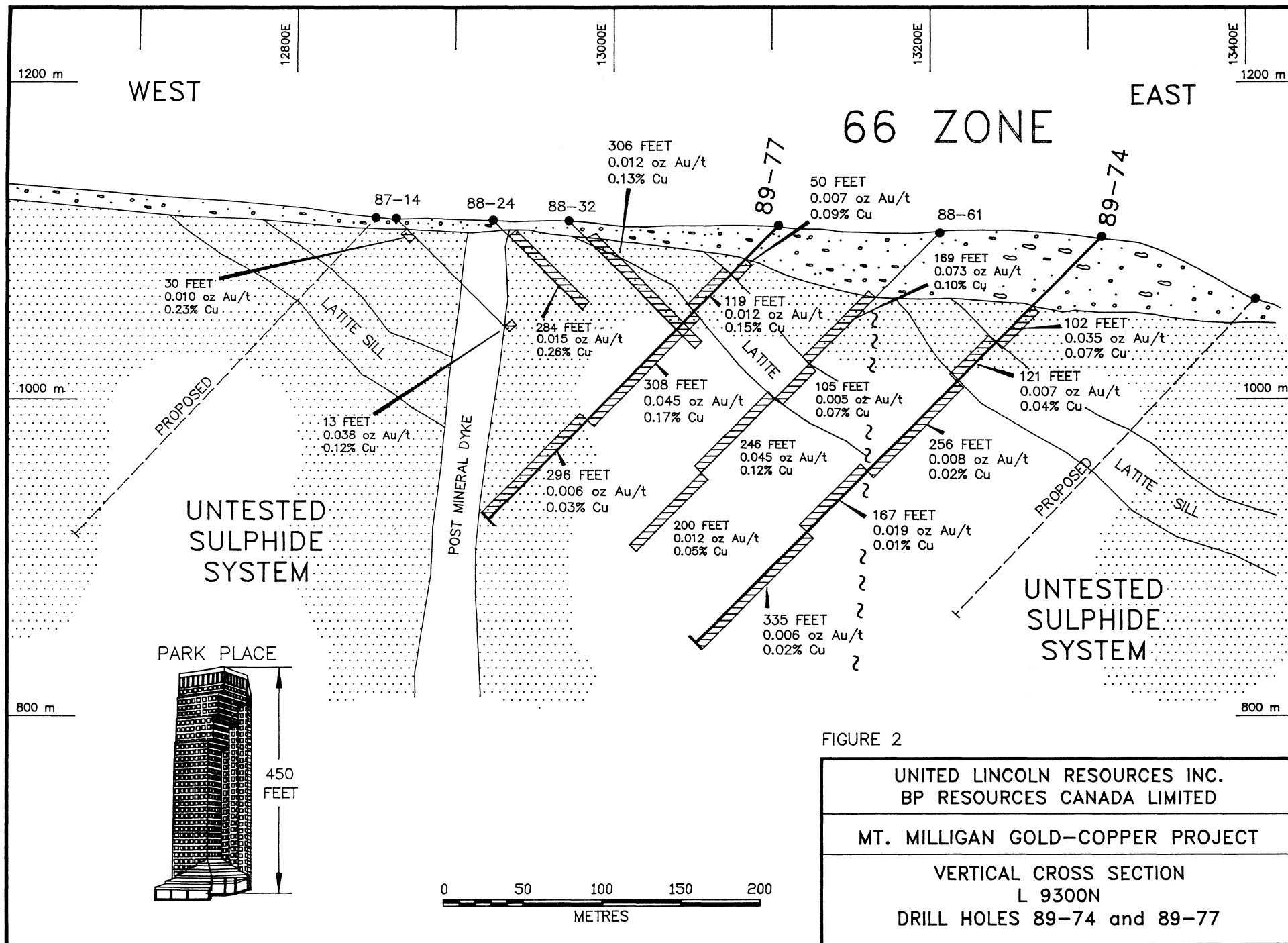


FIGURE 2

UNITED LINCOLN RESOURCES INC.
BP RESOURCES CANADA LIMITED

MT. MILLIGAN GOLD-COPPER PROJECT

VERTICAL CROSS SECTION
L 9300N

DRILL HOLES 89-74 and 89-77

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FEBRUARY 7, 1989

TGS → Mt. Milligan

NEWS RELEASE

MAJOR TONNAGE ADDITIONS INDICATED BY DEPTH TESTS

Robert G. Hunter, a Director of Continental Gold Corp. (VSE:CUG) and its 69% owned subsidiary United Lincoln Resources Inc. (VSE:ULN, NASDAQ:ULNMF) today announced assay results for 2 additional holes from the on-going drill program at the Mt. Milligan property. The Mt. Milligan gold-copper project is a United Lincoln (70%) - BP Resources Canada Limited (30%) joint venture. United Lincoln is operator. Results are:

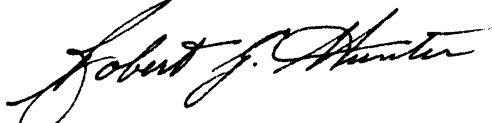
Hole No.	Azimuth (Degrees)	Dip (Degrees)	Hole Length (Feet)	Interval (Feet)		Intercept (Feet)	Copper %	Gold oz/ton
				From	To			
88-70	270	-80	1403.5 (including)	83.0	905.3	822.3	0.37	0.015
				83.0	506.1	423.1	0.39	0.017
				506.1	725.2	219.1	0.39	0.015
				725.2	905.3	180.1	0.32	0.011
89-71	270	-45	1114.2 (including)	254.9	1083.4	828.5	0.25	0.009
				254.9	310.9	56.0	0.33	0.006
				310.9	383.8	72.9	Post Mineral Dyke	
				383.8	727.2	343.4	0.26	0.011
				727.2	900.7	173.5	0.16	0.008
				900.7	1083.4	182.7	0.39	0.012

These holes (and Hole 68 announced earlier) indicate that the gold-copper mineralization of the MBX Zone has vertical continuity to a depth of at least 850 feet. The MBX zone now measures 2500 feet along strike and up to 1000 feet wide and is open. Gold and copper is disseminated throughout the zone with gold grades showing a dramatic increase at the open, southern end. Drill results are confirming the large scale open pit potential of the property.

Three drill rigs are now at work on the property testing the circular disseminated sulphide system measuring two miles in circumference.

Continental Gold Corp. and United Lincoln Resources Inc. plan to amalgamate on a one share for one share basis in March 1989. On gifting back of inter-company share holdings there will be approximately 6,984,073 common shares of the amalgamated entity issued and outstanding.

ON BEHALF OF THE BOARD

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Robert G. Hunter
Director

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