

KRL RESOURCES CORP. (KRO-V)

CONTINUED FROM PAGE ONE - A detailed ground magnetic and VLF-EM computerized survey in August, 1992 identified five anomalies, four of which correspond to mineralized showings found earlier. Selective soil sampling over the geophysical targets returned anomalous gold values. The property has good potential to host a large tonnage open pit style deposit. KRL has applied for permits to start drilling and expects the program will be underway in June 1993.

- KRL owns 100% in the 3,828.5-acre Sea property in the Tulsequah mining area adjacent to the Polaris-Taku property in NW B.C. 50 miles east of Wrangell, Alaska. Reserves on the Polaris-Taku have been increased by recent diamond drilling to 2,200,000 tons of 0.43 oz/t. The Polaris-Taku deposit is open in all directions. KRL's SEA property is also within 3 miles of Redfern's Tulsequah Chief Property which has reserves of 8,600,000 tons of 1.6% copper, 6.5% zinc, 0.08 oz/t gold and 3.2 oz/t silver. An airborne geophysical Mag and EM survey flown in 1990 located several strong anomalies on the Sea. Geologic mapping and sampling indicated pervasive alteration with corresponding sulphide mineralization. The property displays the geologic characteristics needed to host both gold and massive sulphide deposits. A detailed mapping and geophysical survey is planned for summer of 1993.

- KRL holds a 100% interest in the 5,375-acre MM project, 8 miles north of Stewart, B.C. Geophysical surveys and 1,848 metres of diamond drilling were completed in October 1991. Extensive sulphide mineralization was encountered throughout the property with anomalous gold values over wide core intervals (554 ppb gold over 96.8 feet) as well as several intersections of over 0.5 oz/t gold. An evaluation program consisting of detailed geological mapping, petrographic studies, geophysics, diamond drilling, and trenching is planned. LAC Minerals has recently made a significant gold discovery on its Red Mountain property which has geology similar to the MM property and is 15 km east of KRL's ground.



104B General