

NORTH AIR MINES LTD. (NRM-T,V)

FOUR 1987 PROGRAMS REVIEWED - Northair Mines Ltd. 57%,

BP Selco-Rio Algom 43%

have reported consulting geologist, Dr. P. Richardson, P.Eng., has calculated geological reserves in the West Zone on the Willa property, at New Denver, 135 km south east of Revelstoke, B.C. of 606,000 tons of 0.22 oz.gold/ton, 0.28 oz.silver/ton and 1.04% copper - a slight increase in tonnage and a 22% increase in gold grade over previously reported reserves. The confidence level of the reserves has been substantially increased by the recent program and based on these results, an exploration program in excess of \$2,000,000 been recommended.

The program now underway and will consist of 5,000 feet of surface diamond drilling, 8,000 feet of underground diamond drilling, 2,000 feet of drifting, decline, crosscutting and raising and a feasibility study. The object of the program is to generate proven mineable reserves. Further exploration is recommended for several other indicated zones.

In 1983 a surface drill hole by BP Selco encountered 27.0 feet of 0.368 oz.gold/ton within the Main Zone. In early 1987, an underground hole drilled by Northair (U-87-173) encountered 59.0 feet of 0.287 oz.gold/ton (including 26.2 feet of 0.431 oz.gold/ton) in the area of the surface hole. 3,500 feet of surface drilling in 12 holes has recently been completed to investigate these encouraging intersections. Assay results are awaited. Early indications are positive and further surface drilling is planned.

Northair indicates that the Brandywine mill located 70 miles north of Vancouver will be utilized for production at Willa. Accordingly, studies have been undertaken and it is expected that the 300 ton per day mill could be dismantled, transported, re-erected and modified at Willa at a reasonable cost. Further metallurgical testing on the ore at Willa has resulted in gold and copper recoveries in excess of 90% and confirmation that the Willa ore is amenable to treatment by the Brandywine mill. With additional crushing and grinding capacity, throughput can be increased to at least 500 tons per day.

Northair's interest in the property is currently 57% and should the joint venture partners elect not to participate in the current program, Northair's interest will increase to about 68%.

The Long Lake Gold property is under exploration by BP Selco 68% and Northair 35% near Buchans, Newfoundland. In late 1986, a 4.3 mile x 0.75 mile geochemical anomaly was discovered. No drilling has been conducted, but surface samples, have returned values of up to 7 oz gold/ton. The potential exists for large bulk tonnage deposit of better than average grade. A major program is now underway and will include detailed sampling, trenching and surface diamond drilling.

Northair has reached an agreement in principle with Falconbridge Ltd. for the exploration of Northair's claims (excluding the #1 production lease) at the Brandywine mine, 70 miles north of Vancouver, B.C. Brandywine was in production from 1976 to 1982 and generated in excess of \$60,000,000 in revenues during that period. Falconbridge will conduct exploration work totalling \$500,000 by 31Dec89 to earn a 51% interest. \$100,000 is firmly committed to be spent by December 31, 1987. Falconbridge has the option to acquire an equivalent interest in the production lease within 2 years of the formation of a joint venture. The Brandywine mill and all related equipment is excluded from this agreement.

A \$187,500 program is now underway by Noranda on the Stewart Option property near Thunder Bay, Ontario. The program includes trenching and geochemical surveys, followed by diamond drilling. A drilling program conducted on the property in 1986 produced results inconsistent with earlier values and the program now underway is intended to better define ore controls. Several previous grab samples have assayed as high as 0.72 oz gold/ton and a previous drill intersection assayed 0.43 oz gold/ton over 13.1 feet.

In a press release dated May 19, 1987, Norquest Resources Ltd. reiterated its' intention to proceed with a hostile takeover bid for shares of Northair Mines Ltd..

MAGNA VENTURES LTD. (MVN-V)

FUNDING FOR \$1,200,000 PROGRAM APPROVED - Lewis Dillman, president of Magna Ventures Ltd. has reported receipt of approval from the Vancouver Stock Exchange for the issue of 259,674 shares to settle debt of \$139,659.95.

Magna ventures has also received approval to a \$1,200,000 private placement, of 375,000 shares at 75¢ with 187,500 warrants at 85¢ and 400,000 flow-through shares at \$1.00 with 200,000 warrants exercisable at \$1.10. The company treasury nets \$281,250 immediately and another \$400,000 in flow-through funds. Another placement of 125,000 shares at 75¢, with 62,500 warrants exercisable at 85¢ is on hold pending approval of the placee's "exempt institution" status. Canaram Investments has exercised 50,000 previously held warrants at 70¢, to net the treasury another \$35,000.

Magna ventures now has the funding in place to carry out a major work program on the Doc property near Stewart, B.C. this year, with planned expenditures of \$1,500,000 on a 4 phase exploration program, to commence immediately. Magna Ventures will earn a 50% interest from Silver Princess Resources Inc. by spending \$1,200,000 by 12Nov87, of which about \$500,000 has already been expended. A contract has been signed for 1,500 feet of underground development on the Q17-Q22 vein system, where 1986 drilling located several intersections of up to 27.7 feet grading 0.728 oz./ton gold.

SOUTHLANDS MINING CORPORATION (SSM-V)

FRASERGOLD 1987 PROGRAM - C. Phillip Yeandle, president of Southlands Mining Corp., has reported signing an option and joint-venture agreement May 19, 1987 with EUREKA RESOURCES INC. (EUK-V) for the further development of the Frasergold precious metals project near Williams Lake, B.C.

Southlands has agreed to sell by private placement 250,000 shares at \$2.00 each to three Swiss banking institutions, arranged through Pacific International Securities Inc.

Southlands has been approved for 126 Exemption #82-1661 in the U.S. by the Securities and Exchange Commission and is now in the "pink sheets".

Southlands can earn a 50% working interest in the project by funding a \$3,000,000 program including a feasibility study within three years. Drilling will commence on the first of July, and the underground development adit is scheduled to start July 20. A unitized pilot mill is to be on site and processing ore from the adit at a rate of 20-25 tons per day by mid-August, allowing for up to 1000 tons of ore to be processed. Expenditures of \$1,000,000 are budgeted for 1987. Previous drilling has identified 20,000,000 tons of open pit reserves grading 0.06 oz/ton gold as well as 1,200,000 tons of underground potential, grading 0.40 oz/ton gold.

TOURNIGAN MINING EXPLORATIONS LTD. (TGN-V) rec'd.VSE approval for acquisition of an option to buy a 100% interest in the Cap claim in Alberni M.D., B.C. from Otto Janout for 100,000 Tournigan shs., of which 60,000 are to be issued immediately and 40,000 upon completion of a Phase I work program recommending further work on the property. Tournigan is also required to spend \$100,000 on the property. The property has been reported on by John Jenks.