

120 July 1988

PRIME CAPITAL CORPORATION

news release

July 21, 1988

No. 6/88
Trading Symbol: DLW

DELAWARE RESOURCES CORP.

Murray Pezim, Chairman of the Board of Delaware Resources Corp. ("Delaware"), announces up-to-date underground assay results for the 300m level of the Twin Zone of the SNIP Deposit, located approximately 65 miles northwest of Stewart, British Columbia. The average drift sampling results are more than double the previous average assays that were returned from surface diamond drilling for this portion of the ore deposit. The drifts explored the lower portion of the Twin Zone, which has drill inferred reserves of 1.2 million tons grading 0.7 ounce per ton gold (diluted by a factor of 20%). The underground results, released to Delaware by Cominco Ltd. ("Cominco"), operator of the SNIP Project, are for sampling over a 535-foot strike length of the 300m level exploration drifts on the Twin Zone. The results from west to east are:

- | | |
|--------------------|-------------------------------------------|
| 1. West Drift | 1.54oz/ton gold over 9.0 feet x 320 feet |
| 2. West/East Drift | 0.375oz/ton gold over 42.6 feet x 80 feet |
| 3. East Drift | 0.370oz/ton gold over 9.8 feet x 135 feet |

The assay results for the West and East Drifts are the average of uncut gold assays for face samples collected for each round of advance (each round advanced an average of 10 feet). It is important to note that the widths are reported as minimum widths because the exploration drifts did not expose the entire width of the Twin Zone on this level. The face sample assays on the West and East Drifts average 1.17 ounces per ton gold over an average minimum width of 9.2 feet and a combined strike length of 455 feet (see assays 1 and 3 above). This result is more than double the weighted average assay of 0.463 ounce per ton gold over an average true width of 15.1 feet from seven surface drill holes which intersected this portion of the Twin Zone. The intervening 80-foot strike length of the Twin Zone between the West and East Drifts occurs where the 300m crosscut intersects the Twin Zone. The assay of 0.375 ounce per ton gold over 42.6 feet is from sidewall panel sampling oblique to the zone. It is interpreted to be representative of the true grade of this 80-foot portion of the Twin Zone at this point. Detailed sampling is now underway to determine the true grade and width of this 80-foot interval.

The East Drift traced the Twin Zone over a strike length of 135 feet before encountering a fault. After advancing past the fault, the drift was turned north to intercept the high-grade assay of 2.84 ounces per ton gold over 27.2 feet in drill hole S-84. This had previously been interpreted to be the Twin Zone mineralization. Re-interpretation of the underground work by Delaware shows this intercept is possibly a parallel mineralized zone in the footwall of the Twin Zone. Face sampling on this footwall zone averaged 1.82 ounces per ton gold for a minimum average width of 9.1 feet over a strike length of approximately 130 feet. This zone is open to the west and appears to be faulted to the east. Hole S-84 intersected another mineralized zone approximately 165 feet above the East Drift, which Delaware interprets to be the Twin Zone. The assay for this latter intersection was 0.225 ounce per ton gold over a core interval of 37.4 feet. The presence of the Twin Zone to the southwest of the East Drift and beyond the fault has now been confirmed by underground drilling from the drift. Hole UG-13, on the 650m Section east of the fault hit the Twin Zone at 112.9-131.2 feet, and returned an assay of 0.370 ounce per ton gold over a core interval of 18.4 feet (including 0.789 ounce per ton gold over 7.5 feet). Mineralization has also been reported in UG-16, UG-17, and UG-18; these holes have now traced the Twin Zone for a minimum strike length of 260 feet beyond the fault to the 700m Section on the 300m level.

Underground development on the 300m level was halted by the end of June to allow drilling of the Twin Zone to proceed uninterrupted. One rig is now blocking out proven reserves within the drill inferred reserve block on 78-foot (25 metre) centres from the 325m level down to the 150m level, using drill stations cut in the 300m level Hangingwall Drive. A smaller rig is being used to drill horizontal and inclined holes into the walls of the 300m level exploration drifts on 41-foot (12.5 metre) centres to determine the true width of the Twin Zone on this level. This drilling is anticipated to significantly increase the minimum true widths of the zone.

The following assay results released by Cominco are for Twin Zone intercepts predominantly below the 300m level and outside the known drill inferred reserve block (see longitudinal section accompanying this release).

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HOLE	INTERVAL (metres)	INTERVAL (feet)	CORE LENGTH (feet)	GOLD (oz/ton)
UG-01	97.4-103.1	319.6-338.3 including 333.7-338.3	18.7 4.6	0.248 TZ 0.872
	205.7-206.3	674.9-676.9	2.0	0.207
UG-02	94.6- 96.3	310.4-316.0	5.6	0.123 TZ
	99.9-101.6	327.8-333.4	5.6	0.040
UG-03	104.7-105.8	343.5-347.1	3.6	0.038
UG-04	88.6- 95.7	290.7-314.0 including 307.1-314.0	23.3 6.9	0.082 TZ 0.240
	105.1-111.1	344.8-364.5	19.7	0.044
	217.4-218.3	713.3-716.3	3.0	0.166
UG-05	123.1-123.6	403.9-405.5	1.6	0.042 TZ
UG-06	84.6- 86.7	277.6-284.5 including 277.6-279.2	6.9 1.6	0.221 TZ 0.599
UG-07	No Twin Zone	intercept observed		
UG-08	89.3- 89.6	293.0-294.0	1.0	0.167 TZ
UG-09	99.5-106.1	326.5-348.1 including 329.4-337.0 342.6-344.2	21.6 7.6 1.6	0.521 TZ 1.09 0.486
UG-10	161.5-165.8	529.9-544.0	14.1	0.053 TZ
UG-11	100.2-104.7	328.7-343.5 including 339.6-343.5	14.8 3.9	0.133 TZ 0.302
UG-12	134.4-141.1	441.0-463.0 including 443.3-451.5 457.7-463.0	22.0 8.2 5.3	0.624 TZ 0.984 0.773
UG-13	34.4- 40.0	112.9-131.2 including 112.9-120.4	18.4 7.5	0.370 TZ 0.789

Assays marked by "TZ" are in the Twin Zone.

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The demobilization of mining equipment from the 300m level has allowed a drive to begin on the 180m level, which has been proposed as a haulage level for the SNIP Deposit. Because of its positive gradient, this heading is planned to intersect the Twin Zone at the 190m level in the vicinity of the intercept in UG-09, which ran 0.521 ounce per ton gold over a core interval of 21.6 feet. The heading is now approximately 900 feet from the 180m portal, and based on the current rate of advance, is expected to hit the Twin Zone by the end of July.

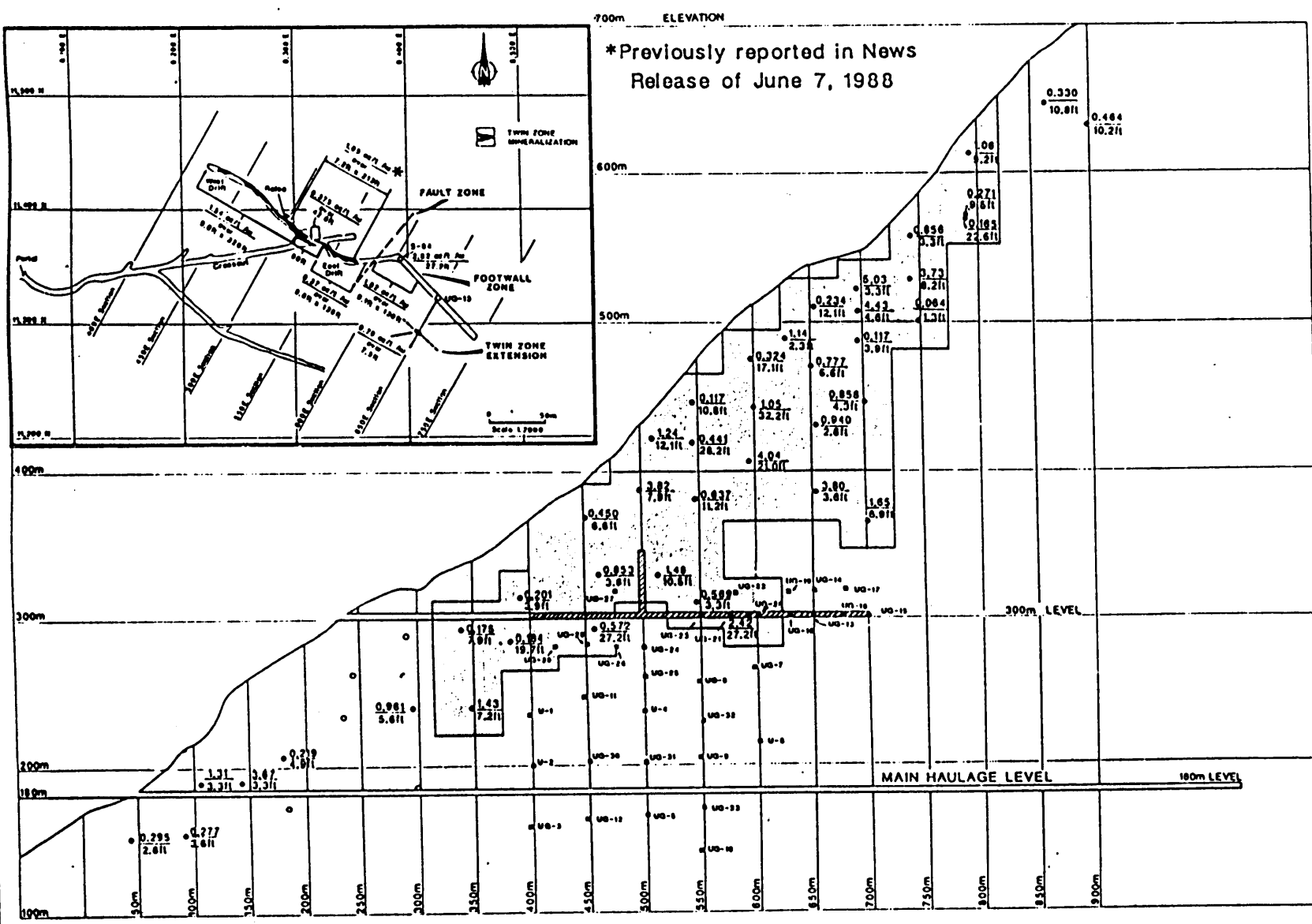
Discussions between Delaware and Cominco are now being held to significantly increase the underground work program concurrent with a new surface drilling program, to significantly expand the reserves on the Twin Zone beyond its presently known extent. This work will also be used to evaluate other parallel zones of mineralization which have not been included in the previous reserves calculation for the SNIP Deposit.

Delaware will contract with Prime Explorations Ltd. for consulting and management services on the SNIP Project.

ON BEHALF OF THE BOARD OF DIRECTORS

per:


Murray Pezim
Chairman of the Board



LEGEND

- 4.43 oz/ton Au
4.61 tect
- Blank Hole
- U-1 Drill Hole - Intercept
- 1.2 MILLION TONS
0.7 OUNCE PER TON GOLD
- HIGH ASSAYS CUT TO 4.38 oz/t Au (150 g/tonne Au)
- ▨ Heading complete
- ▭ Proposed heading
- 100 m (328 feet)

PRIME CAPITAL CORPORATION
DELAWARE RESOURCES CORP.
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**SNIP - TWIN ZONE
LONGITUDINAL SECTION**