

**PUNDATA GOLD CORPORATION (PUN-ALBERTA)**

**TRIO GOLD CORP. (TGK-ALBERTA)**

**NEW GOLD ZONE DRILLED IN** - On their Spanish Mountain  
**CARIBOO DISTRICT OF B.C.** joint venture at Likely, B.C.

Pundata Gold Corporation 60% and Trio Gold Corp. 40% have made what their respective presidents, J.S. Bending and H.B. Ruskowsky, say is "An exciting new find" on the Don claims 3/4 mile north of the Main zone. Averaged assays of trench panels show 0.062 oz. gold/t for 118 feet with up to 0.214 oz. gold/t in some one meter panels. A parallel trench 50 feet south returned 0.043 oz. gold/t over 42.7 feet. A 400-foot reverse circulation hole (RCH-87-100) in the vicinity, returned 13 feet of 0.03, 6.6 feet of 0.06 and 19.7 feet of 0.035 oz. gold/t.

Because results from an ongoing \$900,000 program that started last May were encouraging, the claim holdings have been doubled to cover 10 square miles, drill power was increased during December to 3 drills and metallurgical studies were initiated. Drill holes are targeted to gold mineralized zones in hydrothermally altered, sheared tuffs and volcanoclastic sediments.

A total of 12,939 feet, being about 85% of planned drilling, is completed, including 10,728 feet of diamond core in 36 holes and 2,211 feet of reverse circulation drilling in 6 holes. About half this effort was exploration and half delineation drilling. A reverse circulation rig is drilling 6 more in-fill holes for grade and tonnage calculations.

Assays are awaited from some drill holes. An independent evaluation has been initiated to determine tonnage. Initial metallurgical tests predict a very encouraging 95% gold recovery. Further metallurgical tests are being prepared now. Previously unreported assays from both diamond drill and reverse circulation holes are printed overleaf and include assay results to 13Jan88. DDH-87-100 series are HQ core. DDH-87-200 series are NQ core. RCH 100 series are reverse circulation holes. For previous report of drill results, see GCNL 197(87) P.3.

**CANADIAN UNITED MINERALS, INC. (CUN-V)**

**GEOPHYSICS AND DRILLING START** - Michael Callahan,  
**ON SILVER-BASE METAL PROPERTY** president, reports that

Canadian-United Minerals, Inc. has launched an extensive exploration program on the Fireweed property some 50 miles east of Smithers in central B.C. The property lies 10 miles north of Granisle. The program entails diamond drilling and geophysical surveys at a total cost of \$300,000 on this silver and base metal discovery optioned by the company last Fall.

Earlier work yielded chip samples averaging 10 oz. silver/t over 30 feet of outcrop. Float samples which led to the discovery are enriched with economic values of silver, zinc, copper and small amounts of gold.

Initial drill targets are in a strong, well defined magnetic anomaly which measures 75 by 200 metres. This zone lies within a much broader, highly conductive IP anomaly up to 250 metres wide and 800 long. Drilling will total about 5,000 feet to test this zone.

Geophysical survey work will concentrate on other areas of the claims which cover about 28 square kilometres. The property grid will be expanded to identify further drill targets. The largest magnetic anomaly (500 by 1,200m.) will be the target of a superimposed IP survey totalling 50 line km. Additional magnetometer and VLF surveys totalling about 25 line km are scheduled as well.

Hole	Depth (feet)		Width (feet)	Assay oz/ton gold
	(from)	(to)		
DDH-87-114	134.5	- 147.0	12.5	0.30
including	143.7	- 147.0	3.3	1.11
including	213.0	- 259.0	46.0	0.026
including	245.5	- 248.8	3.3	0.19
DDH-87-115	14.14	- 50.23	36.09	0.027
including	14.14	- 40.39	26.25	0.031
including	83.03	- 99.44	16.41	0.023
including	171.6	- 202.1	30.5	0.036
including	181.47	- 194.6	13.13	0.057
DDH-87-116	19.39	- 71.9	52.5	0.118
including	42.36	- 58.76	16.4	0.171
including	150.6	- 180.1	29.5	0.027
DDH-87-117	264.2	- 267.5	3.3	0.61
including	365.3	- 371.9	6.6	0.045
DDH-87-118	121.3	-31.8	9.8	0.045
DDH-87-119	103.1	- 106.4	3.3	0.051
including	132.7	- 136.0	3.3	0.108
DDH-87-120	154.2	- 157.5	3.3	0.041
DDH-87-122	257.3	- 261.1	3.8	0.49
DDH-87-123	36.1	- 53.0	16.9	0.039
including	46.3	- 49.9	3.3	0.143
including	270.7	- 274.0	3.3	0.16
DDH-87-124	47.6	- 75.9	28.3	0.040
including	63.6	- 66.9	3.3	0.11
DDH-87-125	299.0	- 318.3	19.3	0.168
including	299.0	- 313.2	14.2	0.202
including	299.0	- 302.3	3.3	0.546
DDH-87-126	31.5	- 44.6	13.1	0.026
including	67.6	- 112.1	44.5	0.032
including	67.6	- 90.6	23.0	0.042
including	103.7	- 112.1	8.4	0.047
DDH-87-127	27.0	- 35.2	8.2	0.177
including	29.1	- 32.0	2.9	0.309
DDH-87-128	280.4	- 283.5	3.1	0.166
DDH-87-200	37.3	- 57.0	19.7	0.039
including	37.3	- 40.6	3.3	0.09
RCH-87-100	13.0	- 26	13.0	0.03
including	49.2	- 55.8	6.6	0.06
including	318.2	- 337.9	19.7	0.035
RCH-87-102	101.7	- 114.8	13.1	0.12
including	101.7	- 108.3	6.6	0.194
including	193.6	- 196.9	3.3	0.046
RCH-87-103	16.4	- 23.0	6.6	0.051
including	39.4	- 46.0	6.6	0.050
including	78.7	- 85.3	6.6	0.053
including	178.9	- 180.5	6.6	0.061
RCH-87-104	91.9	- 98.5	6.6	0.059
including	141.0	- 144.3	3.3	0.153
including	213.2	- 219.8	6.6	0.031
RCH-87-105	26.5	- 75.5	49.0	0.052
including	68.9	- 75.5	6.6	0.191
including	95.1	- 114.8	19.7	0.034
including	206.7	- 213.3	6.6	0.038
RCH-97-106	23.0	- 98.5	75.5	0.051
including	42.7	- 59.1	16.4	0.138
including	42.7	- 49.3	6.6	0.240

RHYOLITE RESOURCES INC. (RHY-V)

<u>OZ. GOLD/T</u>	<u>OZ. SILVER/T</u>	<u>COPPER%</u>	<u>CONSULTANT ESTIMATES</u>
0.312	0.01		RESERVES ON TEXADA
0.818*	0.321		John Bissett,
0.202			president, of
0.304			Rhyolite Resources Inc.
0.312			has received an
0.786	1.36	5.30	independent evaluation
0.653	0.47	2.85	of the potential gold
0.646	1.66	8.15	reserves discovered
0.076	0.32	1.20	recently on the Yew
1.788	0.22	0.41	No.7 claim on Texada
1.429	0.23	0.49	Island, B.C. The
0.474	0.55	2.90	shallow, horizontal,
<u>0.681</u>	<u>0.026</u>	<u>0.70</u>	mineralized, limestone
0.652**	0.71**	2.50*	bed has been explored

\* 30 kg bulk sample \*\* Average  
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 and extensive trenching over a limited area which essentially lies within the north half of Yew No.7 claim. Mr. J.M. Kowalchuk, geological consultant, points out that similar gold bearing, sulphide rich mineralization has been exposed at surface and in trenches elsewhere on Yew 7 and on Rhyolite's contiguous claims at intermittent locations up to 1000 metres from the discovery zone.

Within the limited area, Mr. Kowalchuk calculates probable reserves of 34,810 tons grading 0.5 oz.gold/t and 2% copper and he estimates combined probable and possible reserves at 78,810 tons grading 0.35 oz.gold/t and 1.2% copper. These calculations assume an average true thickness of 0.5 meter, although most of the exposure to date exhibits a thickness between 0.4 and 1.8 meters. The average grade does not take into account the extremely high (110 oz/ton) values found in narrow "feeder" veins at the lower contact of the limestone with the volcanics.

Representative sulphide layer assays from Pit No.5 which traverses the trend for 50m include a high gold of 1.788 oz/ton plus 0.22 oz.silver/t and 41% copper, a high silver of 1.36 oz/ton with 0.786 gold and 5.3% copper and a high copper of 8.15%. The assays of 13 samples presented by Mr. Bissett, including one 30 kg bulk sample, averaged 0.652 oz.gold/t, 0.71 oz.silver/t and 2.5% copper.

Current plans call for diamond drilling aimed at rapid expansion of reserves. Success in this program, which would be contemporaneous with re-starting Rhyolite's concentrator in a 100 tons per day bulk sampling operation, could lead to the early onset of commercial production at the designed rate of 250 tons per day.

PACIFIC SENTINEL GOLD CORP. (PSG-V)  
CORPTECH INDUSTRIES INC. (CH-V)

VANCOUVER ISLAND GOLD - Robert A. Dickinson, president  
 PROPERTY JOINT VENTURED of Pacific Sentinel Gold Corp.  
 reports that Corptech Industries Inc. has negotiated an option to earn 55% joint venture interest in Pacific Sentinel's 100%-owned Ursus Creek gold property by spending at least \$250,000 on it during 1988 and a total of \$800,000 by 31Jan91, subject to regulatory approval. Additional expenditures to production will be provided 45% by Pacific Sentinel and 55% by Corptech.

The Ursus Creek property is located near Tofino on Vancouver Island, B.C. It covers an 18 kilometer long gold bearing structure. Limited prospecting has identified disseminated, shear hosted, gold mineralization over a 4 km strike length. Much of the gold-bearing structure on the property is obscured by overburden. Highly sheared grab samples assay up to 0.7 and 0.8 oz.gold/t. Fourteen km of the gold bearing structure remain unexplored.

Mr. Dickinson says the project has excellent potential for hosting a bulk tonnage disseminated gold deposit. The project will be operated on behalf of Corptech by Prime Explorations Ltd. Murray Pezim is chairman of Corptech and the Prime Group.

Pacific Sentinel is negotiating to acquire a further gold project.