

**AMERICAN PACIFIC MINING COMPANY INC. (APA-V)  
DOLLY VARDEN MINERALS INC. (DYM-V)**

**ADDITIONAL DRILL** - American Pacific Mining Company has **FUNDING ARRANGED** agreed to purchase 1,500,000 shares of Dolly Varden Minerals at 65¢ each for proceeds of \$975,000 and has been granted an option to purchase a further 1,250,000 shares at \$1.30 until April 15, 1990, subject to regulatory approvals. The funds will be used to drill on Dolly Varden's gold property in the Kitsault Valley, 140 km north of Prince Rupert, B.C.

On Feb. 28, 1989, Dolly Varden received approval to issue 670,000 shares at 22.5¢ to settle debts of \$150,750 and to the private placement of 1,000,000 shares at 30¢ to Credit Commercial de France. Prior to this funding Dolly Varden had 8,900,000 shares issued and will have 12,090,412 shares issued after the funding.

Desmond Alexander, a director of American Pacific Mining has been appointed to the board of Dolly Varden.

Director and employee options have been granted on 160,000 shares of American Pacific Mining at \$4.10 per share for five years.

Between February 15 and April 5, 1989, a further \$720,000 of American Pacific Mining debentures have been converted to 159,998 common shares. This brings the total converted to date to \$6,445,000. Some \$6,305,000 remain outstanding.

**200-1 CAN-NET COMMUNICATIONS NETWORK INC. (CNK-V; CNKTf-Nasdaq)**

**CONTRACT REPORTED** - C.N. Thodos, president, reported that Cam-Net Communications Network Inc. has firm and pending contracts with Digital Equipment of Canada valued in excess of \$300,000 to provide microwave radio equipment for Digital customers including a system for a unit of the Federal Government of Canada.

This is the Government's second application of Digital's Metrowave Bridge Local Area Network product (LAN) whereby Northstar has provided the engineering services, licensing and installation of this specialized telecommunications solution.

**ESPERANZA EXPLORATIONS LTD. (EEP-V)**

**THREE FOR ONE SHARE** - Esperanza shareholders will **CONSOLIDATION PROPOSED** consider at the May 15, 1989 annual meeting, a proposed consolidation on the basis of 3-old shares for 1-new share. There are 12,278,457 shares issued and after consolidation 4,092,819 shares will be issued. A name change to **COLUMBIA GOLD MINES LTD.** will also be considered. The company owns 100% of the Tillicum Mountain gold project, 18 km east of Burton, Arrow Lakes, B.C. where reserves of 1,443,000 tons grading 0.27 oz. gold/ton are indicated.

**150 CALPINE RESOURCES INCORPORATED (CLP-V, ALBERTA)  
CONSOLIDATED STIKINE SILVER LTD. (CKI-V)**

**MAP PRINTED OVERLEAF** - The longitudinal section map overleaf shows the drill hole locations of the 21 Zone, Eskay Creek project, 60 miles north of Stewart, B.C., held 50/50 by Calpine Resources Incorporated and Consolidated Stikine Silver Ltd. Complete details yesterday in GCN No. 71, p. 1, 13Apr89.

**100-5 NALCAP HOLDINGS INC. (NPH-V)  
EQUITY PRESERVATION CORP. (EQP-V)  
EQUITY RESERVE CORP. (EQR-V)**

**DIRECTORS RECOMMEND REJECTION OF TAKE OVER BID** - Nalcap Holdings Inc. has offered to buy the put options issued by Putco Holdings Ltd. for \$1.00 per option and Putco Holdings II Ltd. for 85¢ per option. The directors of Equity Preservation Corp. and Equity Reserve Corp. recommend against accepting this offer.

The offer by Nalcap does not contain the right to rescind acceptance if a more attractive offer is made.

Holder of shares of EQP and EQR who hold a corresponding number of put options have the right to receive in the future up to \$4.00 for each share of EQP held and \$3.60 for each share of EQR held. By selling the put

options alone, shareholders would give up this capital protection.

EQP and EQR are seeking a sponsor to make a bid for control of EQP and EQR by way of a unit bid.

With the market price of EQP and EQR in the \$1.00 range, the Nalcap bids for put options represents a combined unit price of \$2.00 for EQP and \$1.85 for EQR. It is the directors' view that this price is too low.

Nalcap has failed to inform investors of the tax implications of selling their put options. Both the put options and Equity shares have a low cost base for tax purposes. A taxable capital gain will arise on disposition of either security.

Holder of put options of Putco I have the right to require Putco I to purchase an equal number of shares of EQP for the lesser of \$4.00 per share or the net asset value of Putco I per put option exercised, during the 30 day period commencing 15Dec91. Similarly, holders of put options of Putco II have the right to require Putco II to purchase an equal number of shares of EQR for the lesser of \$3.60 per share or the net asset value of Putco II per put option exercised, during the 30 day period commencing 15Dec92.

**WAR EAGLE MINING COMPANY INC. (MEM-V)**

**TWO JOINT VENTURES FORMED** - Timothy B. Brock, president reported that War Eagle Mining Company Inc. has reached an agreement with Corrigan and Associates, Inc. to process all the surface dumps on War Eagle Mountain, 50 miles SW of Boise, Idaho, and conduct an exploration program on the Central, Poorman and Orofino vein systems. These vein systems comprise the original underground workings on War Eagle Mountain and are to the north of the discovery area.

To lease the surface dumps, Corrigan will pay advance royalties of US \$48,000, a net smelter royalty of 6%, and start production this year or pay further advance royalties. After five months of production, War Eagle has the right to purchase a 30% working interest for 30% of Corrigan's costs. A 1984 bulk sampling program of about 50% of the dumps was completed by Pamcon Developments who reported 64,000 tons averaging 0.79 oz. silver/ton and 0.057 oz. gold/t.

On the underground joint venture, Corrigan has the right to earn a 50% interest in the Poorman, Central and Orofino vein systems that lie to the north of the granodiorite/rhyolite contact by spending US \$500,000 with minimum expenditures of \$100,000 per year over the first 3 years and \$50,000 per year thereafter.

Corrigan's 1989 work program will include re-opening the 6,000 ft. Sinker tunnel to evaluate reported values of up to 2.5 oz. gold/t across widths up to 9 feet. The Sinker tunnel could also make possible the extraction of any remaining reserves in the gold mines on War Eagle Mountain which are located above the tunnel.

War Eagle holds an option to purchase up to 400,000 shares of Corrigan at 50¢ per share, if Corrigan elects to become a public company. Corrigan holds an option on 50,000 War Eagle shares at \$1.30 each until Sept. 1, 1989.

War Eagle expects to receive on April 21, 1989 the results from drilling of immediate offset holes in the vicinity of discovery hole No. 16-2, which cut 75 ft. of 0.114 oz. gold/t and follow up hole No. 16-2A, drilled 10 ft. to the west and which cut 275 ft. of 0.161 oz. gold/t, and will release both a drill hole summary report and its 1989 exploration program at that time.

**ARIEL RESOURCES LTD. (ALL-V)**

**FINANCING TERMINATED** - William Southward, director reports that Ariel Resources Ltd. will not proceed with the of US \$2,800,000 convertible debenture to Y.B. Wapelle of Geneva, Switzerland reported in GCN No. 30, 13Feb89, due to the inability of the parties to reach a consensus on certain points regarding the security for the loan. The company continues to pursue alternate methods of financing the expansion of the Tres Hermanos gold mine in Costa Rica.

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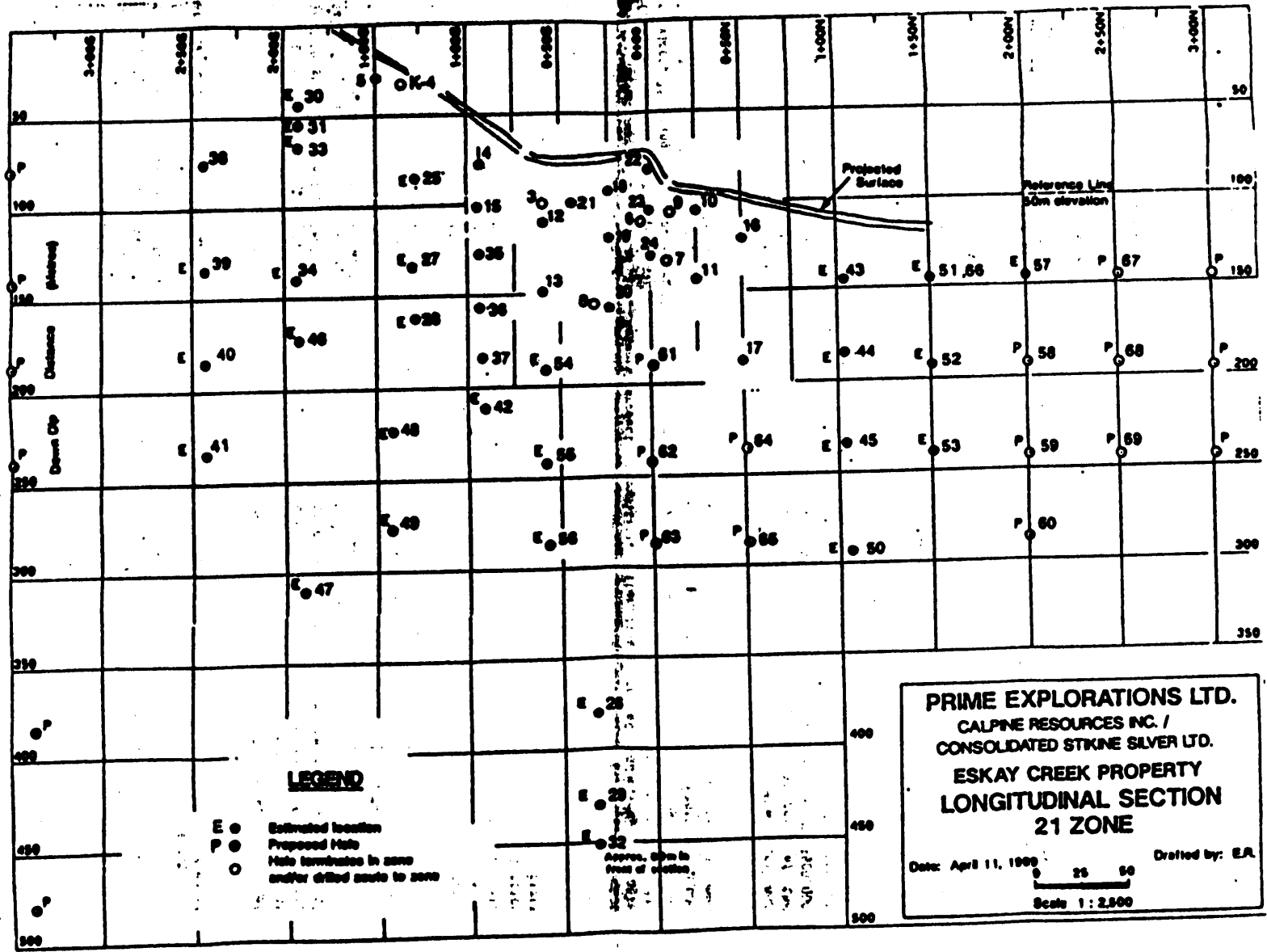


Fig. 2