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WESTERN

TREMINCO RESOURCES LTD. (TMO-T,V)

SILVANA MINE TO BE ACQUIRED-Tremenco Resources has agreed to acquire the producing Silvana silver-lead-zinc mine at New Denver, southeastern B.C. from Dickenson Mines Ltd. Tremenco is to be paid \$1,000,000 plus working capital reimbursements over 8 months. Closing is scheduled October 31,1989. The Silvana is a small mine which has operated for 40 years and generated operating income, before depreciation and taxes of \$1,200,000 in 1988 and \$1,900,000 in 1987.

Current ore reserves, proven, and indicated are 32,000 tons grading 12.9 oz.silver/t, 5.1% zinc, 4.4% lead. The mine has operated for many years on limited proven reserves and the potential to find additional reserves is considered excellent. A program to expand reserves is planned after the title has changed.

In July 1989, Tremenco opened the new 200 tons per day milling plant at the Ptarmigan gold mine, Yellowknife, N.W.T. With two operations, the company forecasts production of 25,000 oz.gold and 450,000 oz. silver, 4,500,000 lbs. zinc and 4,300,000 lbs. lead per year.

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