

NO.222(1990)
NOVEMBER 16, 1990

George Cross

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GOLDNEY RESOURCES INC. (GNZ-V)

EXPLORATION UPDATE - William Campbell, secretary,
Goldnev Resources Inc., provides an
update on its exploration projects located about 60
miles north of Revelstoke, B.C. Goldnev and 50/50 joint
venture partner BETHLEHEM RESOURCES CORP. (BTH-V,T;

BTHMF-Nasdaq) hold or can jointly earn 100% interests in
the Goldstream, Brew and Montgomery projects.

The Goldstream project encompasses the Goldstream
mine and milling complex. The mine was developed on a
strata-bound copper/zinc deposit which was mined by both
open pit and underground methods from 1983 to 1984, then
shut down due to declining metal prices. Remaining
underground mineable reserves are estimated to be
1,860,000 tonnes averaging 4.31% copper and 3.06% zinc.
Goldnev and Bethlehem bought 100% of the mine and
milling complex and are seeking financing to place the
property back into production. The adjacent Brew
property was staked by the companies to cover extensions
of the favourable stratigraphy to the east, south and
southwest of the Goldstream property. The adjoining
Montgomery property is subject to an option agreement
whereby Goldnev and Bethlehem can jointly acquire a 100%
interest in the R&W claim, which hosts mineralization
similar to the Goldstream project.

The properties were covered by an airborne
geophysical survey in 1990 which traced the Goldstream
stratigraphy to the west of the Goldstream property.
Subsequently, Goldnev signed an option agreement to
acquire a 100% interest in the Jenkins project,
comprised of the F.A.R., F.A.R. No.2, GR 3 and GR 4
claims. Goldnev can earn its interest by paying \$50,000
and issuing 100,000 shares over two years to Fran
Jenkins and Ruby Cameron, who will retain a 2% net
smelter return royalty. Bethlehem will participate by
reimbursing one half of Goldnev's acquisition costs and
contributing one half of exploration costs.

Ground exploration in 1990 concentrated on the
Goldstream and Jenkins projects. The airborne
geophysical survey showed numerous moderate to strong EM
conductors along the stratigraphy hosting the Goldstream
mine, an area selected for comprehensive ground
surveys. About 190 km of grid lines were cut over the
Goldstream stratigraphy, followed by soil sampling,
magnetometer, VLF-EM and horizontal-loop EM surveys
which were completed early in November. Results of the
surveys are being compiled to select drill targets.
Preliminary interpretation indicates there are five
primary target areas for drilling on the Goldstream
stratigraphy outside of the immediate mine area.

82M 85



p. 1 of 2

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Exploration work on the Montgomery project included prospecting, sampling of existing underground workings and two diamond drill holes totalling 424 feet. The drilling tested the down-dip extension of copper mineralization seen on surface. Hole M090-1 intersected a narrow semi-massive sulphide zone which assayed 0.63 oz.silver/ton, 0.04% copper and 0.05% zinc over 1.0 foot. Hole M090-2 tested the down-dip extension of this mineralization and returned 0.57 oz.silver/ton, 0.11% copper and 0.71% zinc over 1.1 feet. A zone of quartz veining further downhole returned 15.7 feet of 0.64 oz. silver/ton and 0.35% copper. The drill is currently on standby at the Goldstream mine.

On the Brew project, prospecting work in 1990 led to the discovery of gold mineralization in the southeast portion of the property. Grab samples returned values as high as 0.25 oz.gold/ton and 12.2 oz.silver/ton from semi-massive galena-bearing angular float in the vicinity on the KJ showing, a semi-massive zinc and lead occurrence associated with quartz-muscovite-biotite schists. (SEE GCNL No.195, OCT.9/90, P.2 FOR PREVIOUS INFORMATION)

82M 85
P. 2 OF 2