

George Cross News Letter

"Reliable Reporting"

PLACER DOME INC. (PDG-V,T,M)
INTERNATIONAL CORONA CORPORATION (ICR-V)
PRIME RESOURCES GROUP INC. (PRU-V)
STIKINE RESOURCES LTD. (SKZ-V,T)

PLACER DOME WILL NOT - Placer Dome has reported, PROCEED WITH ESKAY CREEK after a review of the Eskay Creek mineral property in B.C., International Corona, Prime Resources, and Stikine Resources have been advised Placer Dome will not proceed to the feasibility study under the agreement.

Placer Dome concluded, under the terms of the agreement, the deposit's tonnage would not sustain a mine project that would satisfy Placer Dome's financial objectives. Placer also concluded the property is attractive and economically viable on its own. Under the agreement, Placer Dome would have funded the full capital cost of the project up to \$240,000,000, while receiving only 50% of the cash flow from operations.

Placer Dome continues to hold a 22% indirect interest in the property, held through its 44% interest in Stikine Resources. In terms of the current agreement, International Corona has the right, for 90 days, to acquire all of Placer Dome's shares of Stikine Resources for approximately \$105,000,000. If it does not exercise that right, Placer Dome, International Corona, Prime Resources and Stikine Resources will use their best efforts to cause a merger of Prime Resources and Stikine Resources by 30Sept92.

If the merger is not achieved, International Corona is to offer to acquire all of Placer Dome's Stikine Resources shares in exchange for common shares of International Corona. If Placer Dome does not accept that offer, International Corona, at Placer Dome's request is to cause Stikine Resources to prepare a prospectus to permit Placer Dome to sell its Stikine Resources shares by way of a secondary offering.

Peter Steen, president Corona has reported Prime Resources and Stikine will proceed immediately with a \$10,000,000 feasibility study to be completed in 1992. A current study by Kilborn Engineering estimates a 400 ton per day operation would cost \$210,000,000, produce gold at a cost of US \$150 per oz. recovering 250,000 oz. per year, plus 10,000,000 oz. silver, over 8 years. Indicated probable geological reserves are projected at 1,992,000 tons of 1.47 oz. gold/t, 55.8 oz. silver/t, including 27% mine dilution.

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