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EQUINOX RESOURCES LTD. (EQX-V)

FUNDS RECEIVED FROM \$4,640,000 FINANCING

NEW \$4,600,000 FUNDING COMPLETED - Equinox Resources has received receipts from securities regulatory agencies for sale of 1,600,000 units in substitution for the 1,600,000 special warrants previously sold to institutional investors. The \$4,640,000 held in escrow has been released to Equinox.

Since Equinox's announcement in late August 1991 of the suspension of mining operations at the 60%-owned Van Stone Zinc Mine, in Washington State, U.S.A. 25 miles south of Trail, B.C. zinc prices have weakened further to 45¢ per pound. Milling operations on stockpiled ore in September and October have been profitable on an operating basis but resumption of mining operations would simply deplete reserves on a break-even basis. As a result, in November the mine will be placed on a care and maintenance basis pending an improvement in zinc prices to 55¢ per pound. Zinc prices are widely forecast to improve in 1992 and it is anticipated that operations will resume in the spring. Care and maintenance costs will average \$18,000 per month in the winter and only modest costs will be involved in resuming open pit mining and milling operations. Equinox is in the process of repaying the mine's debt to Cominco Ltd. Then when the mine re-opens Equinox will receive 100% of the first \$4,000,000 in net cash flow and a varying share of subsequent net cash flow.

The \$800,000 summer exploration program on the J & L property, near Revelstoke, B.C. funded by Cheni Gold Mines Inc., has been completed. The Main Zone has been traced through to the old Roseberry workings adding 2.5km to the Zone's previous 3.2 km strike length, and drilling has confirmed continuity of the Yellowjacket Zinc Zone to the east. Details of these results will be made available when field results are fully compiled. A pilot plant is in progress in Orleans, France on a 35 tonne bulk sample mined in September to confirm the metallurgical breakthrough made at a lab scale in 1991 on the flotation portion of the proposed flowsheet. Metallurgical work will continue through the fall.

82M 3