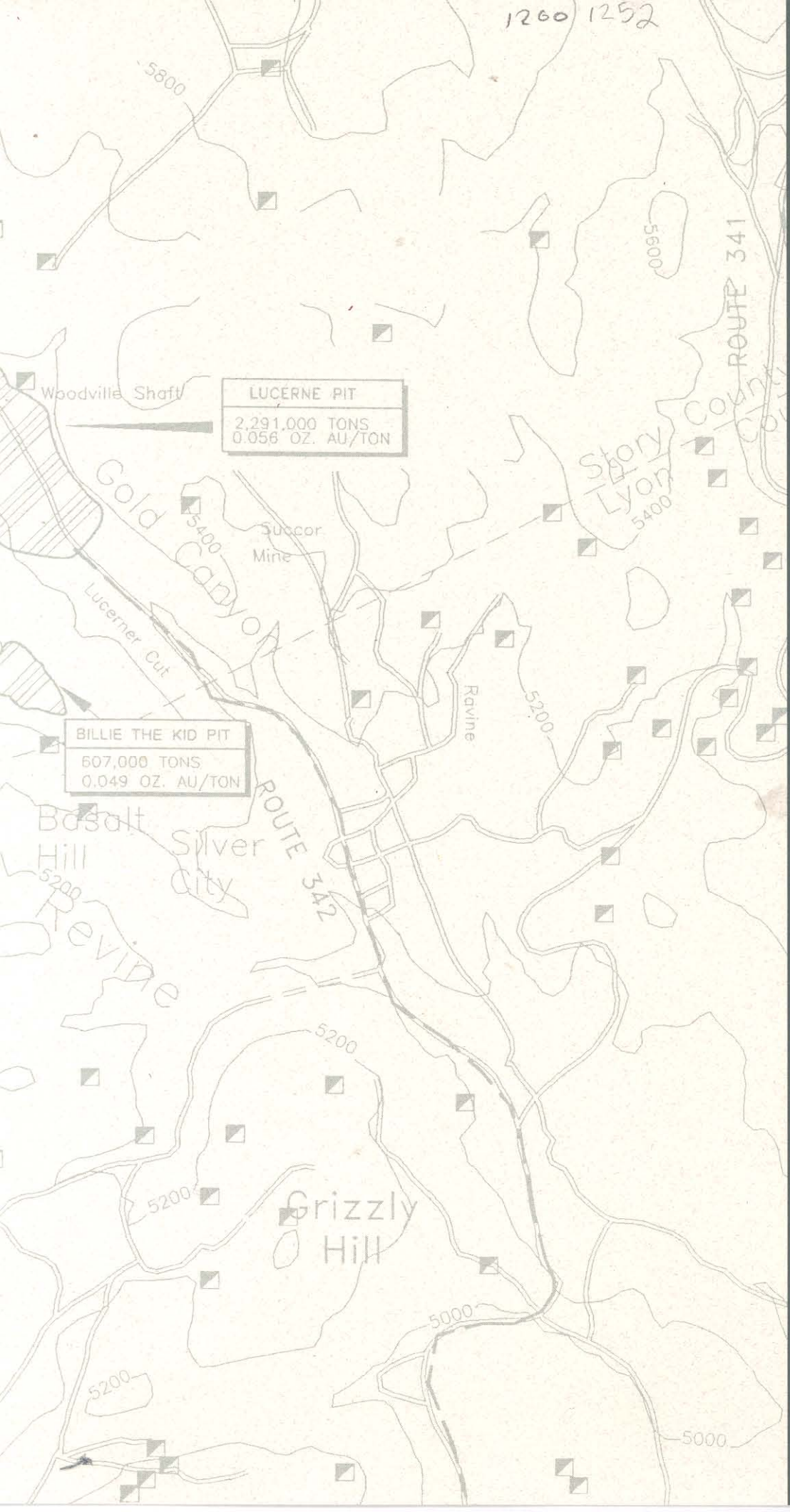


REA GOLD CORPORATION

Project Summaries

REA GOLD CORPORATION

"Projects In The Making"

Project Summaries

REA GOLD CORPORATION

"Projects In The Making"

1 South Comstock Joint Venture

3.0 million tons mineable @ 0.05 oz./ton.
Phase 1 in production 16,000 oz. gold.
Phase 2 in permitting stage.
Phase 2 production to reach 45,000 oz./year gold.

2 Mt. Hamilton Gold Project

9.04 million tons mineable @ 0.052 oz./ton.
Feasibility audit in progress.
Fully permitted.
Forecasted production 45,000 oz./year gold

3 Bissett Gold Project

1.25 million tons mineable @ 0.222 oz./ton.
Past producer of 1.36 million ounces of gold.
$3.0 million government approved MEIP
New mine status granted
Forecasted production 77,000 oz./year gold.

REA GOLD CORPORATION

Fact Sheets

REA GOLD CORPORATION

Company Fact Sheet

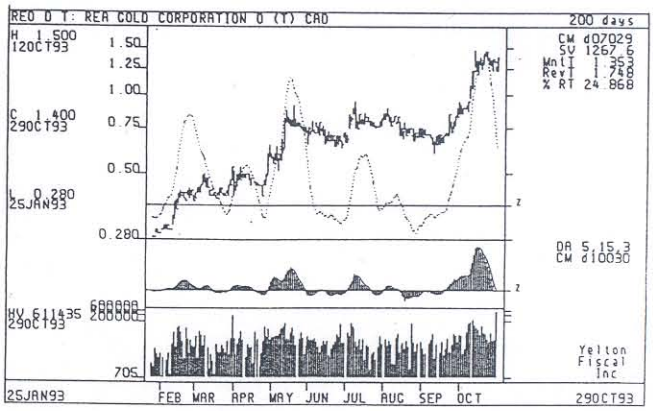
Rea Gold Corporation (REO.T - TOR; REOGF - NASDAQ) is a Canadian mining company engaged in the acquisition, exploration, development and operation of both precious and base metal properties in Canada, the United States and Latin America. The Company's corporate mission is to provide for continued growth and development as a successful mining company.

To this end the Company is currently involved in three projects: the South Comstock Joint Venture, the Mount Hamilton Gold Project, and the Bissett Gold Project. The combined production potential of these three properties has the ability of allowing Rea to cross an important threshold of becoming a 100,000 ounce-per-year gold producer as early as fall 1996.

The **South Comstock Joint Venture** is a 50/50% venture in the famous Comstock Lode district 30 miles south east of Reno, Nevada. Total mineable reserves currently stand at 3.0 million tons grading 0.05 oz/ton gold. This heap leach gold project is being developed in two phases. Phase 1 is in production now, and Phase 2 is in the beginning of an environmental permitting stage that is expected to take in the order of sixteen months to complete. Rea's share of Phase 1 production is expected to be 8,000 ounces of gold, while Phase 2 will produce 22,500 ounces annually for Rea. Cash costs are expected to be US $225/oz.

Listed	TOR; NASDAQ
Symbol	REO.T; REOGF
Fiscal Year End	Dec 31
Recent Share Price	C$ 1.40
12 Month Range	C$ 1.50 - C$ 0.28
Shares Issued	17,967,901
Fully Diluted	19,272,245
Float Supply	11,333,900
Market Cap. (dil.)	C $27.0 Million
Working Capital	C $1.3 Million
Long Term Debt	Nil
Insider Holdings (dil.)	22.8%

The **Mt. Hamilton Gold Project** is located 44 miles west of Ely, Nevada. Total mineable reserves currently stand at 9.04 million tons grading 0.052 oz./ton gold. The Company has signed a letter of intent to option a 100% interest in this heap leach gold project. Rea is presently undertaking a feasibility audit with the view to making an acquisition/production decision in early 1994. This property has been drilled, engineered and has all major permits. Cash costs are targeted to be US $260/oz including equipment leasing costs.



The **Bissett Gold Project** is located 160 road miles northeast of Winnipeg, Manitoba. This underground gold project is owned 100% by Rea, and has been a past producer of 1.36 million ounces of gold. Total lower level mineable reserves currently stand at 1.2 million tons grading 0.222 oz./ton gold. This project has received verbal governmental approval of a Cdn $3.0 million mineral exploration incentive program designed to prove up sufficient lower level reserves to return the mine to production at 1,000 tons per day. In addition, the project has been granted new mine status which brings with it significant tax advantages. A external engineering report confirmed that this mine could be back in production as early as the summer of 1994. Cash costs are expected to be in the order of US $253/oz.

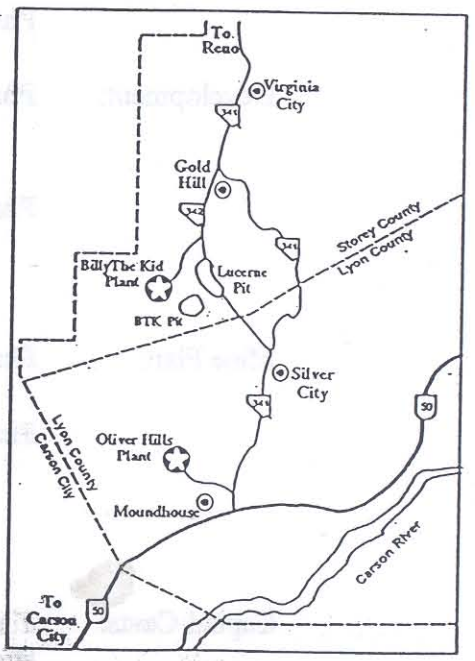
October 1993

REA GOLD CORPORATION
South Comstock Joint Venture

Fact Sheet

The property in brief:

Joint Venture: Rea Gold earned a 50% interest by committing US $1.25 million to Phase 1 of the development. In return, Rea Gold will receive 100% of the cash flow until the Company recovers its investment and 50% of cash flow thereafter. The property is subject to a 5% NSR. Rea Gold will also fund its share of the feasibility costs for Phase 2, and contribute US $1.25 million towards the installation of a new plant.



Location: 2 miles south of Virginia City, Nevada.
30 miles south east of Reno, Nevada.

Land Package: 55 Patented claims.
36 Unpatented claims.
4 millsite claims.
12 townsite lots.

Reserves *: Lucerne Pit - 1,145,500 tons.
mineable @ 0.010 OPT cutoff.
Billie The Kid Pit - 304,000 tons.
mineable @ 0.015 OPT cutoff.

Reserve Upside *: Lucerne Extension - 250,000 tons potential.
The South Comstock region has a reserve potential of several million tons at ore grade. Efforts are underway to acquire and evaluate some of these properties.

Head Grade:

Lucerne Starter Pits	-	Gold 0.070 oz./ton.
Lucerne Main Pit	-	Gold 0.047 oz./ton.
Billy The Kid Pit	-	Gold 0.047 oz/ton.

Recovery: Heap leach.

Phase 1	Gold - 70%.
	Silver - 50%.
Phase 2	Gold - 75%.
	Silver - 50%.

Production:

Phase 1	8,000 oz. gold.
Phase 2	46,875 oz. gold.

October 1993

* Note: The numbers expressed in this fact sheet are for Rea Gold's 50% interest.

REA GOLD CORPORATION
South Comstock Joint Venture

Fact Sheet (cont)

Geology:	Comstock Lode. Gold and silver in quartz stockwork veins system and in quartz/calcite veins. Hosted in Tertiary aged (- 23 million years) volcanic rocks.	
Environment:	Phase 1	Fully permitted.
	Phase 2	Proceeding with an environmental impact study.
Development:	Phase 1	Mining commenced July 1993. Merrill Crowe plant is fully operational and gold production commenced October 1993.
	Phase 2	Proceeding with an environmental impact study. design work completed for 100,000 ton per month facility using Carbon in Leach (CIL).
Mine Plan:	Phase 1	In production. 300,000 ton pad permitted. Merril Crowe process. Single stage crushing.
	Phase 2	Expect to be permitted for 3.0 million tons on pads. Carbon in leach process. Two stage crushing. Production could take place some three months from time of final approvals. Target mid - 1995.
Capital Costs:	Phase 1	US $400,000.
	Phase 2	US $4.3 Million (Including 20% contingency, 10% construction and engineering management, and projected permitting and environmental studies).
Operating Costs:	Cash costs expected to be US $225 per ounce.	
Tax Pools:	Tax pools of approximately $2 million available to Rea.	

For more information contact:
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Mr. R. A. Shier, Treasurer and Chief Financial Officer
Telephone (604) 684-7527 - FAX (604) 684-4428

October 1993

* Note: The numbers expressed in this fact sheet are for Rea Gold's 50% interest.

REA GOLD CORPORATION
Mt. Hamilton Gold Project

Fact Sheet

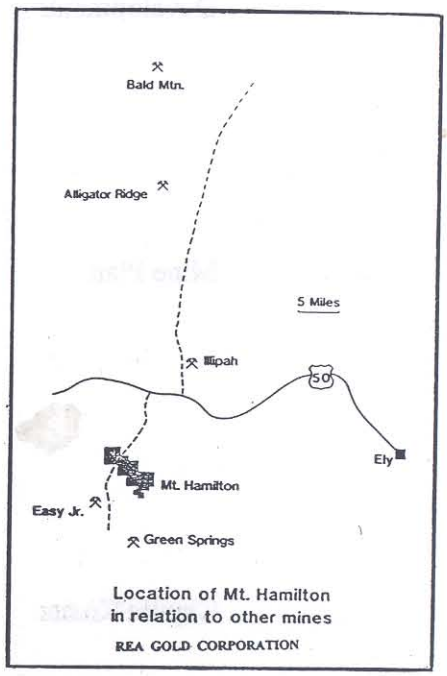
The property in brief:

The Deal: Letter of intent to option 100% ownership from Costain Minerals Inc. of the Mt. Hamilton Mining Company. The latter owns 100% of the Mt. Hamilton Gold Property. Total price US $5,250,000 in cash; plus a 2.5% NSR capped at US $2.5 million; also subject to two underlying NPI's totaling 5.5%. Four quarterly cash payments of US $200,000 to be applied towards purchase price.

Location: 44 miles West of Ely, Nevada.

Land Package:
421 Unpatented lode claims.
4 Unpatented millsite claims.
26 patented claims.
80 acres of fee land.

Reserves:
9.04 million tons mineable.
Open pit mineable, two contiguous ore bodies - NE Seligman and Centennial.
Centennial open to the South.
Monte Cristo area warrants investigation.
Mineable reserves calculated by Pincock Allen & Holt based on kriging. on 25 x 25 x 10 - foot blocks.
Floating cone model was adjusted for ramps and other variables to define "designed pit reserves" using a $400/oz. gold price and at a 0.016/ton cutoff.



Location of Mt. Hamilton in relation to other mines
REA GOLD CORPORATION

Head Grade:
Gold - 0.052 oz./ton.
Silver - 0.370 oz./ton.

Recovery:
Heap leach.
Gold - 75%
Silver - 45%

Production:
Life Of Mine (LOM) 7+ years.
LOM 352,700 gold ounces recoverable.
LOM 1,504,800 silver ounces recoverable.
Average Per Year:
Gold - 50,000 oz.
Silver - 193,000 oz.

October 1993

REA GOLD CORPORATION
Mt. Hamilton Gold Project

Fact Sheet (con't)

Geology:	Sedimentary hosted; dolomite, limestone, shale. Cretaceous age - 105± and 101± million years. A hydrothermal alteration aureole approximately 3 miles long and 1.25 miles wide. Ore in Monte Cristo and Seligmen stocks relates to retrograde alteration.
Environmental	A full Environmental Assessment has been completed and the Plan of Operations has been approved by the Forest Service and BLM. Zero visual impact ruling granted.
Development:	Costain has spent approximately 9.0 million on development. Final feasibility was completed in April 1990 and updated in 1991 on completion of engineering. Operating Permits and permits-to-construct are in place, except for the final plant operating permit. Rea Gold is currently undertaking a full Feasibility Study.
Mine Plan	Production could take place some six months from time of construction. Yearly mine production will be 1.3 million tons per year with a mine life of 7 years based on current mineable reserves. Potentially, the first gold pour could be as early as the fall 1994. Mining would commence in the higher grade/lower strip ratio portions of the NE Seligman deposit. Anticipate using mining contractor for minimum CAPEX and quickest cash payback.
Capital Costs:	Total capital costs including working capital are estimated at US $12 million using contract mining.
Operating Costs:	Cash costs expected to be US $225 per ounce.
Tax Pools	Tax pools of approximately $10 million may be available to Rea on the acquisition. Currently under investigation.

For more information contact:
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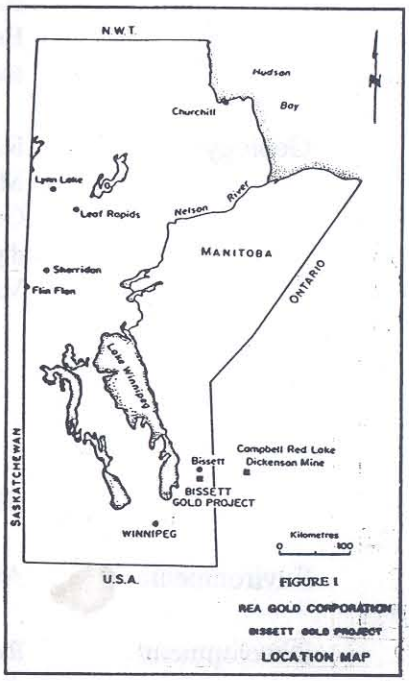
October 1993

REA GOLD CORPORATION
Bissett Gold Project

Fact Sheet

The property in brief:

Ownership:	100% owned by Rea Gold. Subject to a 10% NPI after CAPEX recovery.
Location:	Bissett, Manitoba 230 road kilometres northeast of Winnipeg
Land Package:	Production Lease of 18 patented claims. 31 mineral leases, and 1 claim block totaling 1085 acres.
Mine Assets	500 ton per day mill and all process infrastructure.
Reserves:	Lower Level diluted mineable reserves are 1,200,000 tons grading 0.222/ton gold at a 0.175/ton cut off. Upper Level mineable reserves are 301,403 tons grading 0.192/ton gold at a 0.15/ton cutoff.
Reserves Upside	32 to 47th Levels contain an estimated additional 1520 tons/vertical foot. Gold grade upon underground drifting is predicted to be higher than the currently defined drill grade and similar to the historical mining grade of 0.285 ounces per ton. Excellent potential to treble current reserves to 3,600,000 tons. Known deposit and reserves remain open on easterly strike and down-rake. Cumulative mine potential and current reserves is +1,000,000 ounces contained gold.
Head Grade:	Gold - 0.216/oz./ton.
Recovery:	40% gravity / 60% flotation and cyanidation. Historical recovery 96.5%. Anticipated future recovery 95%.
Production:	Life Of Mine (LOM) 7+ years. LOM 324,000 gold ounces resource. Average Per Year: Gold - 72,000 oz.



October 1993

REA GOLD CORPORATION
Bissett Gold Project

Fact Sheet (cont.)

Production History:	Operated continuously between 1932 and 1968 producing 4,876,000 tons of ore, 1,360,000 ounces of gold and 192,200 ounces of silver. Historical head grade was 0.285/ton gold with a mill recovery of 97%. Brinco in 1981 constructed a new mill, and completed underground and surface rehabilitation costing $12.6 million. Brinco operated for 18 months from 1981 to 1983 and mined 102,000 tons grading 0.15 ounce per ton gold.
Geology:	Rice Lake Greenstone Belt of Archean age (2,800 million years). Metamorphosed volcanic and sedimentary rocks. Gold in quartz veins in diabase or basalt dyke trending northwest and dipping 48° northeast. Veins are grouped in two major types that include: "38-type"stockwork veins trending northwesterly and dipping vertically or northeasterly, averaging 300 to 500 feet long, 20 feet thick. These extend up to 600 feet down dip. "16-type" veins trending N60° to N75°E and dip 60°N and are up to 400 feet long, 4 feet thick and extend up to 2500 feet down dip. Historically 8 stockwork veins accounted for 54% of overall production
Environment:	All permits are available within six months.
Development:	Rea Gold is currently undertaking a full Prefeasibility Study to determine if a $3.0 million development program is warranted. Rea Gold has applied for new mine status which confers special tax status at both the provincial and federal levels.
Capital Costs:	Total capital and preproduction costs including working capital are estimated at US $21 million.
Operating Costs:	Cash costs are targeted to be US $260 per ounce.
Tax Pools:	Tax pools of approximately $10 million available.

For more information contact:
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October 1993

REA GOLD CORPORATION

Project Summaries

REA GOLD'S PROJECT SUMMARIES

Overview - South Comstock Joint Venture

The South Comstock 50/50 % Joint Venture is a gold/silver open pit mine and heap leach project located 30 miles south east of Reno in Nevada's Storey and Lyon counties (**Figure 1**). This project is being developed in two phases with two pits and two leach processing facilities. The first plant - Oliver Hills near Moundhouse - is an existing Merrill Crowe gold/silver recovery facility which previously processed leach solutions from 1 million tons of ore loaded on a now fully reclaimed pad. Several persons who previously manned crushing, agglomerating and recovery equipment have been retained. In Phase 1 Oliver Hills could process up to 300,000 tons of Lucerne pit ore grading +0.07 OPT gold over the next year. Detailed environmental and engineering work is under way for the Billy the Kid mine and plant, a 1.2 million tons per year Carbon-In-Leach facility at American Flats 5,000 feet northwest of the Lucerne and Billy the Kid pits. An environmental review for the Billy the Kid plant may be completed by mid 1995.

Rea Gold earned a 50% undivided interest in the property by spending $US 1.25 million on the first phase of development. The Company will receive 100% of cash flow until it recovers this investment and 50% of cash flow thereafter. Rea Gold will fund its share of feasibility costs for the Billy the Kid heap leach facility and contribute $US 1.25 million towards the installation of the plant.

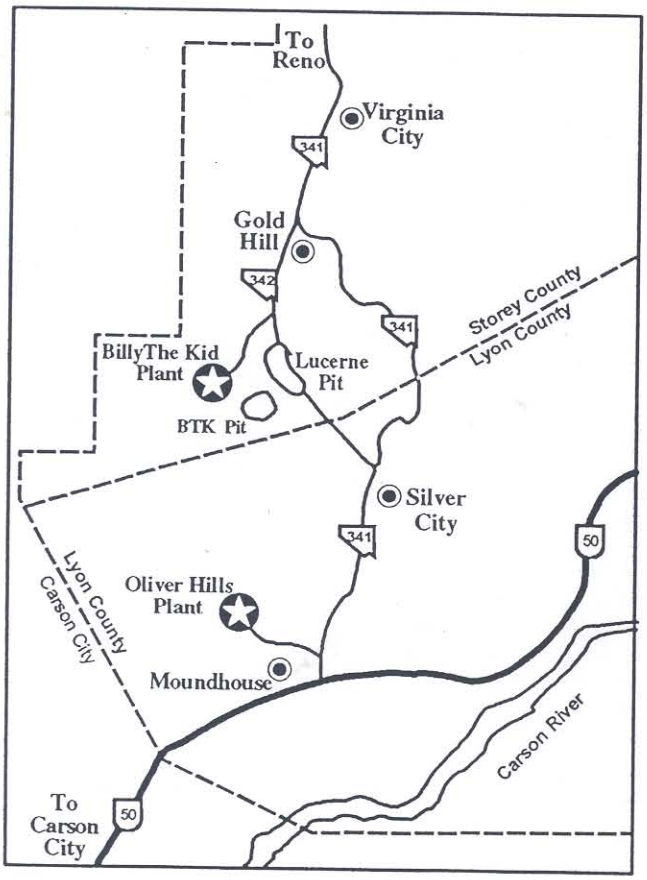


Figure 1

Project Summary

Mineable reserves are contained in two pits, Lucerne and Billy the Kid ("BTK"). Total Joint Venture mineable reserves are just under 3 million tons, grading 0.05 ounces per ton gold, excluding possible extensions. Both pits have potential to add reserves down dip and along strike. A 3,000 foot reverse circulation drill program to test Lucerne Pit easterly extensions was completed in April 1993. Six of the nine holes drilled returned significant precious metals values. Silver and gold head grades for some shallow intercepts well exceeded current ore reserve grades over meaningful widths. This, along with a later program planned for the BTK pit may add 500 thousand to 1 million tons to reserves.

Phase 2, called Billy the Kid, involves the design and construction of a new heap leach facility about 5,000 feet

north west of the pits in the American Flats area; ore for this facility would come from the remainder of the Lucerne Pit plus the BTK Pit. Phase 2 is currently in the design and permitting stage and it is anticipated that construction could start in the 1994 fourth quarter. The presently anticipated project life will be between 5 and 7 years depending upon the success of exploration programs and the time required to obtain permits for the Billy the Kid Phase. The main components of the development schedule are shown (**Figure 2**) below.

South Comstock Development Plan

Phase 1	**Status**
• Planning & Preproduction	In Progress
• Lucerne North Starter Pit Mining	Completed
• Lucerne south Starter Pit Mining	In Progress
• Heap Leach Recovery	In Progress
Phase 2	
• Planning & Preproduction	In Progress
• Development & Preproduction	Target Date: 2nd Qtr 1995
• Commence Lucerne Main Pit Mining	Target Date: 3rd Qtr 1995
• Commence Heap Leach recovery	Target Date: 3rd Qtr 1995

Figure 2

Geology & Ore Reserves

The principle structure on the property is the Silver City Lode which trends north 25 degrees west and dips 40 to 80 degrees easterly. Property geology is dominated by relatively large, low angle breccia zones within the Silver City Lode which range from 20 to 103 feet in true thickness. Economic gold/silver mineralization is closely related to these breccias which typically are coextensive with major structures that juxtapose Tertiary and Mesozoic aged units.

Typical of the Comstock district the hanging wall of the structure, as well as the mineralized zone, is composed of the Tertiary aged volcanic units. The foot wall is predominately composed of the older Mesozoic sequence, though to a lessor extent the Tertiary aged Hartford Hill rhyolite is found as a foot wall rock.

Elevated concentrations of gold and silver are associated both with quartz stockwork and a distinctive phase of manganiferous - quartz - calcite veining. Outside of the manganiferous zone significant gold and/or silver values generally conform to the geometry of the north - north west trending Silver City Lode.

Between 1988 and early 1992 over 200 reverse circulation holes were drilled under the supervision of Carrington Consultants who also completed preliminary mineable ore reserve calculations. In February of 1993 all data from this work was used by Mintec Inc. of Tucson Arizona to generate a computerized polygonal ore reserve block model, the results of which are presented **(Figure 3)** below.

Ore Reserves as Calculated by Mintec, Inc.

	Lucerne Pit	BTK Pit	Total Both Pits
Cut-off (opt)	0.010	0.015	0.013
Ore Tons (000s)	2,291	607	2,898
Ore Grade - Gold (OPT)	0.050	0.047	0.049
Contained Ounces Gold	114,550	28,529	143,079
Waste Tons (000s)	2,093	379	2,472
Stripping Ratio	0.913	0.625	0.853

Figure 3

In March 1993 Mintec were asked to review the computerized model with a view to locating up to 300,000 tons of ore grading 0.070 ounces per ton gold or better in the west area of the Lucerne pit, that would not impact on the adjoining state road 342. That program was successful and two zones were identified, the North and South starter pit zones. A summary of reserves **(Figure 4)** in the starter pit zones is shown below. Selective mining will control gold grade at 0.070 ounce per ton.

North and South Starter Zones
Ore Reserves as Calculated by Mintec, Inc.

	South Zone	North Zone	Total Both Zones
Cut-off (opt)	0.020	0.020	0.020
Ore Tons (000s)	210	182	392
Ore Grade - Gold (OPT)	0.065	0.061	0.063
Contained Ounces Gold	13,.650	11,102	24,752
Waste Tons (000s)	294	230	524
Stripping Ratio	1.400	1.264	1.337

Figure 4

The Lucerne deposit is open to the east down dip and along trend to the south. A typical cross section across the northern part of the Lucerne pit (**Figure 5)** illustrates where substantial potential reserves are located. This area of the Lucerne deposit has the potential to yield an increase in reserves of +500,000 tons.

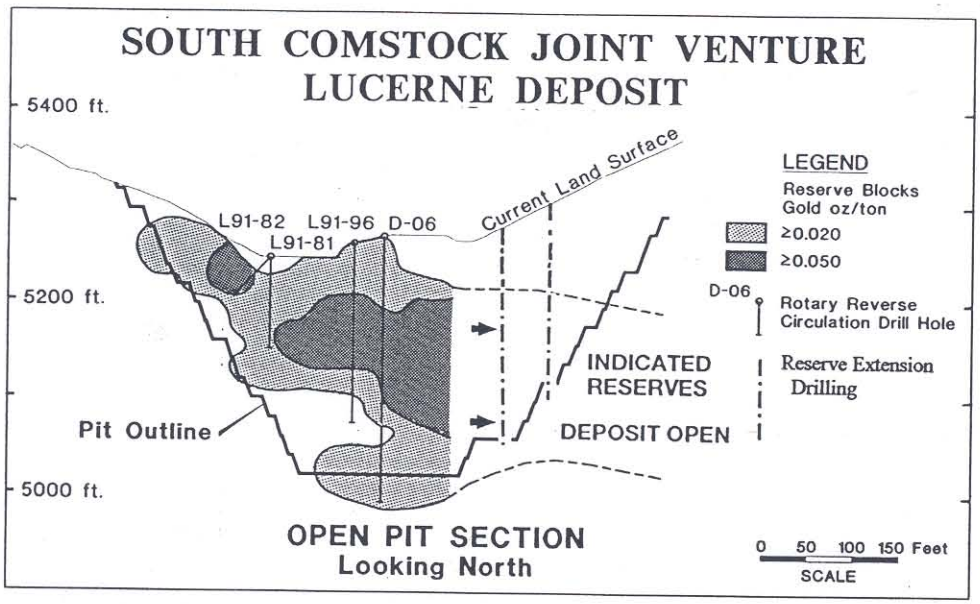


Figure 5

Outside Property Potential

There is a large reserve base and exploration potential for various deposits and properties not owned by the South Comstock Joint Venture. These are in close proximity and reasonable truck haulage distance to the project heap leach facilities. This reserve base and exploration potential cumulatively totals over 7 million tons at an estimated mine grade of 0.05 ounces per ton gold. The joint venture is currently investigating the viability and potential of the respective properties.

Mining

Ore will be mined from all pits utilizing a truck loader fleet. The mine plan utilizes twenty foot benches with a twenty foot safety bench every sixty feet of pit depth. Haulage within the pit is generally designed at a maximum grade of 12%. Waste from these zones may be used to: a) provide fill for the Carson City railway to allow it to cross the Overman pit located to the north or, b) to create haulage roads and pads for the Billy the Kid plant or, c) to backfill the Lucerne pit to acceptable contour grades.

Lucerne Starter Pits

Mining commenced in the Lucerne North starter pit which yielded 105,000 tons of ore which is now being placed on the pad at the Oliver Hills heaps. South starter pit ore mining began in early October and could provide up to 135,000 tons of ore. Lucerne Pit high grade ore (0.07 OPT gold) is being trucked 6 miles by contractors to the Oliver Hills facility.

Lucerne Main Pit

Mining of the Lucerne pit will require a series of temporary detours for state road 342 while the pit is being mined. These detours will allow the roadway to remain open while the reserves are mined.

BTK Pit

The BTK pit will likely be mined after the Lucerne pit is depleted. BTK waste could be backfilled into the Lucerne pit such that the Lucerne Pit can be reclaimed to acceptable contour grades.

Crushing & Processing

Ore processing at both facilities calls for ore to be crushed and agglomerated to obtain maximum gold recovery from the heaps. Projected metal recoveries for the Oliver Hills facility are 70% for gold and 50% for silver. Gold recovery for the Billy the Kid plant is estimated to be 5% higher, at 75%, due to its ore being subjected to secondary crushing to -3/8 inch. Silver recovery is assumed to remain the same at 50%.

Oliver Hills Plant

At the Oliver Hills plant ore passes through a one - stage, jaw crusher set to minus 3 inches. It is then agglomerated with cement plus a polymer binder and placed on a pad in 18 ft. lifts using an existing stacker conveyor system.

Present plans call for an extended heap leach cycle of over 6 months to allow for optimum recovery. The existing Merrill Crowe extraction plant will be used to recover gold and silver from solution as dore buttons.

Billy the Kid Plant

The design criteria calls for a new 3 million ton heap leach facility for the second phase of operation. Preliminary design work has been completed on a 100,000 ton per year facility using a new Carbon - In-Leach plant located in the American flats area less than 1 mile from the pits.

Costs for this phase anticipate three stage crushing and agglomerating to minus 3/8 inch.

Environmental & Permitting

Phase 1 - Oliver Hills

The Oliver Hills Processing Facility is fully permitted to process 400,000 tons of material from the Lucerne pit. Decommissioning bonds are in place in both Storey and Lyon Counties. A variance to the Lucerne pit plan has been obtained to allow storage of waste in the area east of state road 342.

Phase 2 - Billy the Kid

A comprehensive review of the permitting requirements for the new Billy the Kid Facility was prepared by Welsh Engineering Science & Technology Inc. ("Westec") of Reno. They estimate, that if a full environmental impact study is required, the process will take 18 months to complete. Every effort will be made to abbreviate this process. In the meantime, the full 18 month period is assumed for planning purposes.

Operating Costs

Below **(Figure 6)** are the operating costs for both Oliver Hills and Billy the Kid.

Operating Costs Summary

	Costs Per Ton Ore	
Mining Costs	**Oliver Hills**	**Billy the Kid**
Mining Waste & Low-Grade	2.67	1.30
Mining Ore	1.30	1.30
Highway Trucking	1.27	0.00
Mine Assay Expenses	0.17	0.17
Geology Support	0.07	0.07
Subtotal	**5.48**	**2.84**
Crushing & Processing Costs		
Reagents, Cyanide, Cement, Stripping	0.81	0.81
Operating Labour (With Burden)	1.14	1.14
Crushing Costs	0.50	0.84
Conveying & Stacking	0.15	0.15
Heap Piping, ongoing expenses	0.08	0.08
Gold Sales, transport and refining	0.11	0.11
Process Assaying expenses	0.10	0.10
Subtotal	**2.89**	**3.23**
Other Costs		
G & A Expenses	0.61	0.35
Management Fees	1.15	0.20
Decommissioning Costs	0.50	0.35
Subtotal	**2.26**	**0.90**
Operating Costs	**10.63**	**6.97**
Royalties & Property Holding	**1.35**	**1.35**
Cost per Ton Including Royalties	**$11.98**	**$8.32**
Equiv Cost per Ounce Gold	**$236.99**	**$214.54**

Figure 6

Phase 1 - Oliver Hills

Cash operating costs for Phase 1 are estimated to be $237 per ounce of gold produced including management fees, property holding costs and the decommissioning allowance as shown in **Figure 6**. Some of the property holding costs are being re negotiated with a view towards reducing costs associated with nonproductive properties.

Phase 2 - Billy the Kid

Cash operating costs for Phase 2 are estimated to be $225 per ounce which also includes management fees, property holding costs and the decommissioning allowance (**Figure 6).** Cost to mine waste and low grade ore is calculated to be $1.30 per ton as compared to $2.67 per ton for the Oliver Hills pit because the BTK pit has a lower stripping ratio. There are no highway trucking costs associated with the BTK pit but crushing costs are higher due to two stage ore crushing.

Capital Costs

Below (**Figure 7)** are the capital costs for both Oliver Hills and Billy The Kid.

Capital Costs Summary

Oliver Hills Processing Facility

Pads & Pond Expansion	$229,300
Crusher, Screens Etc.	175,000
Conveyor Purchase	70,000
Lab Rehab	16,000
Plant Upgrades	20,000
Leach & Solution Dist.	33,150
D-9 Tractor	95,000
Total Oliver Hills	**$638,450**

Billy the Kid Processing Facility

Crushing & Stacking Plant	$2,400,000
Leach Pads	2,453,000
Ditches & flow return	77,000
Ponds	139,000
Piping & Irrigation Systems	214,000
Carbon Recovery System	1,300,000
Infrastructure	548,000
Subtotal Facilities	**$7,131,000**
Engineering, Procurement, Construction Management, 10%	356,550
Contingency, 20%	713,100
Total Billy The Kid	**$8,200,650**

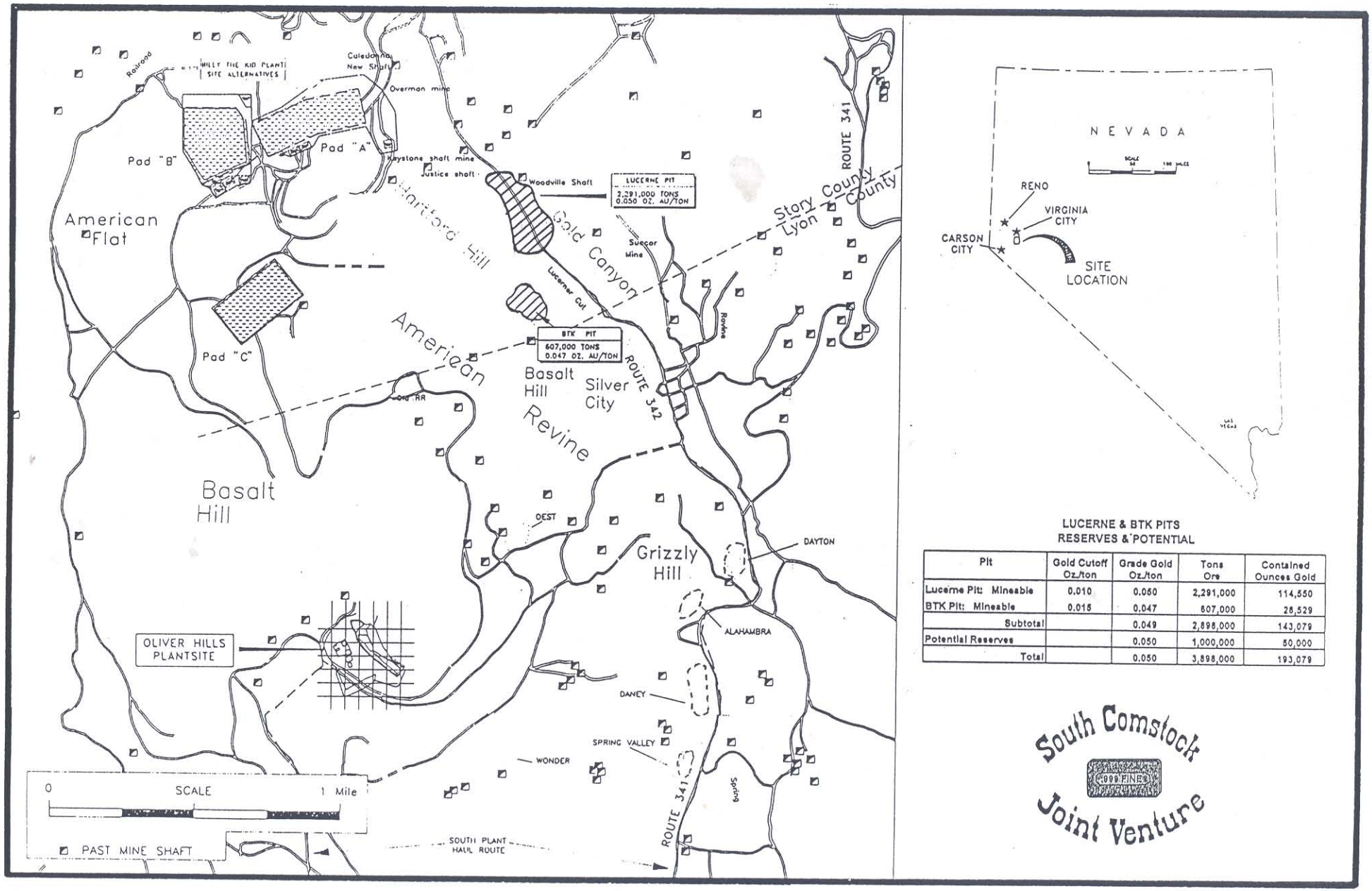
Figure 7

Phase 1 - Oliver Hills

Phase 1 Capital Costs were estimated to be $638,450 which will be used to rehabilitate the Oliver Hills Plant, purchase crushing equipment and complete work on heap leach pads and ponds. This is detailed in **Figure 7**.

Phase 2 - Billy the Kid

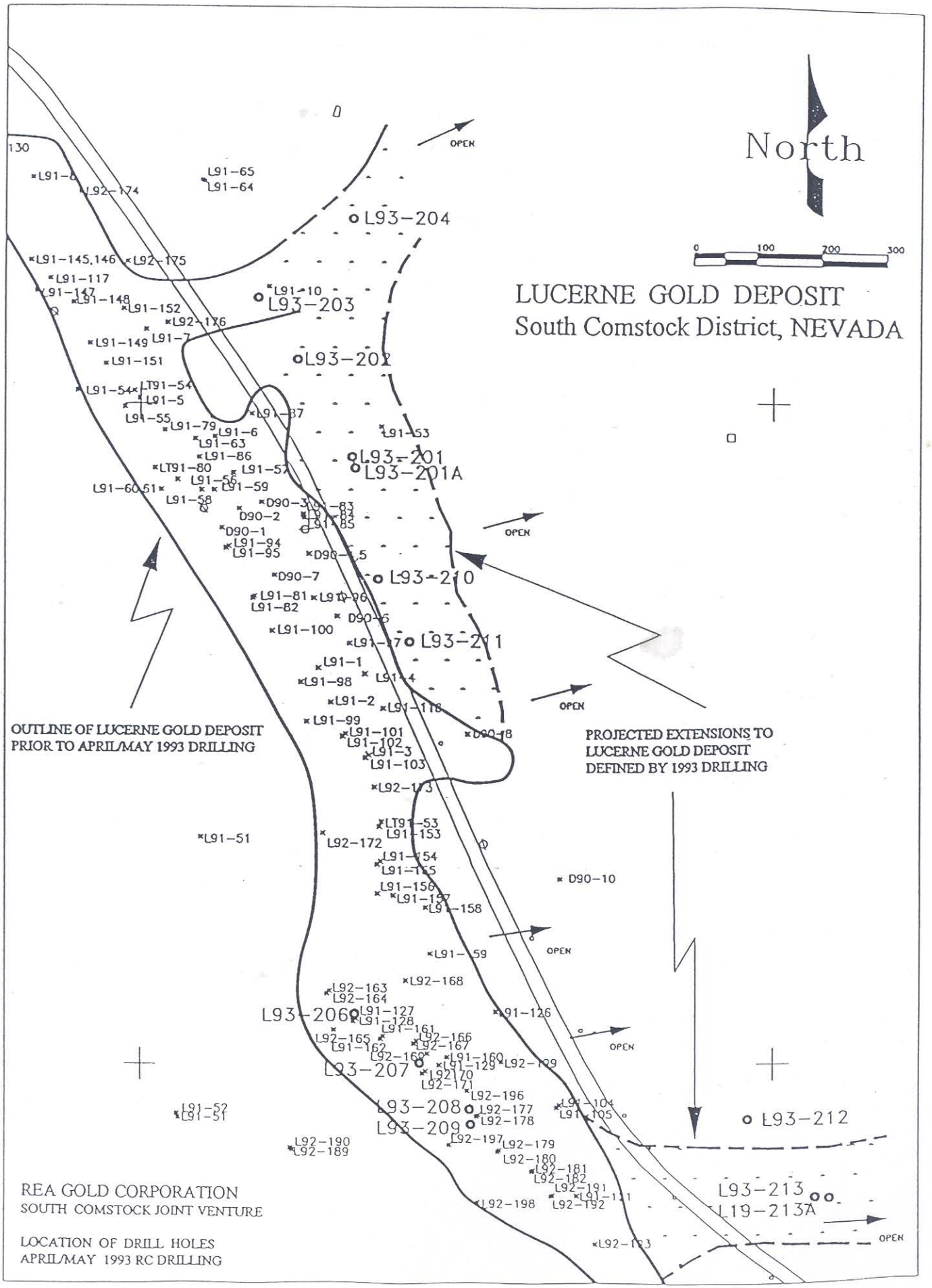
Phase 2 Capital Costs are estimated by Kappes, Cassiday & Associates at $8.2 million including a 20% contingency and 10% engineering and construction management. This does not include costs associated with permitting and environmental studies which, according to Westec, could be over $500 thousand.



LUCERNE & BTK PITS
RESERVES & POTENTIAL

Pit	Gold Cutoff Oz./ton	Grade Gold Oz./ton	Tons Ore	Contained Ounces Gold
Lucerne Pit: Mineable	0.010	0.050	2,291,000	114,550
BTK Pit: Mineable	0.015	0.047	607,000	28,529
Subtotal		0.049	2,898,000	143,079
Potential Reserves		0.050	1,000,000	50,000
Total		0.050	3,898,000	193,079

South Comstock
.999 FINE
Joint Venture


North
0
100
200
300
LUCERNE GOLD DEPOSIT
South Comstock District, NEVADA
OPEN
L93-204
L93-203
L93-202
L93-201
L93-201A
L93-210
L93-211
L93-206
L93-207
L93-208
L93-209
L93-212
L93-213
L19-213A
OUTLINE OF LUCERNE GOLD DEPOSIT
PRIOR TO APRIL/MAY 1993 DRILLING
PROJECTED EXTENSIONS TO
LUCERNE GOLD DEPOSIT
DEFINED BY 1993 DRILLING
REA GOLD CORPORATION
SOUTH COMSTOCK JOINT VENTURE
LOCATION OF DRILL HOLES
APRIL/MAY 1993 RC DRILLING

Overview - Mt. Hamilton Gold Project

On October 19, 1993 Rea signed a letter of intent to secure a one-year option to purchase Mt. Hamilton Mining Company (MHMC) for US $7.75 million. Rea will pay Costain Minerals Inc. 4 quarterly cash options installments of US $200,000 each applicable to a US $5.25 million cash purchase price. A 2 1/2% NSR would be capped at US $2.5 million. MHMC's major asset if 100% ownership of the Mt. Hamilton open pit, heap leach gold/silver project 44 miles east of Ely, Nevada (**Figure 8**). The project contains 9.04 million mineable tons of ore grading 0.052 OPT gold and 0.37 OPT silver. Recoverable reserves are 352,575 ounces of gold and 1, 672,400 silver ounces.

This advanced stage property could be quickly brought to production with a major positive impact on Rea's cash flow and growth potential. Costain previously spent US $9.25 million on exploration and development leading to a full Feasibility Study in 1990 and acquisition of all major operating permits. Target rates are to mine 1.3 million tons of ore per year to produce 50,140 ounces of gold and 193,300 ounces of silver. A production start-up decision is expected to be made early in 1994.

Project Summary

Open pit mineable reserves are contained in two deposits, the NE Seligman zone and the adjoining Centennial zone. Proven and probable, mineable reserves of 9.04 million tons were calculated from a 15.3 million ton resource within these zones. The deposits are open in a number of directions and additional ore may be proven. Also, infill drilling could increase reserves in existing zones. MHMC also owns a 50% interest in the Monte Cristo Gold Project adjoining the Centennial zone. At Monte Cristo 20 to 40 million ounces of silver were recovered in the 1800s showing this to be highly prospective ground.

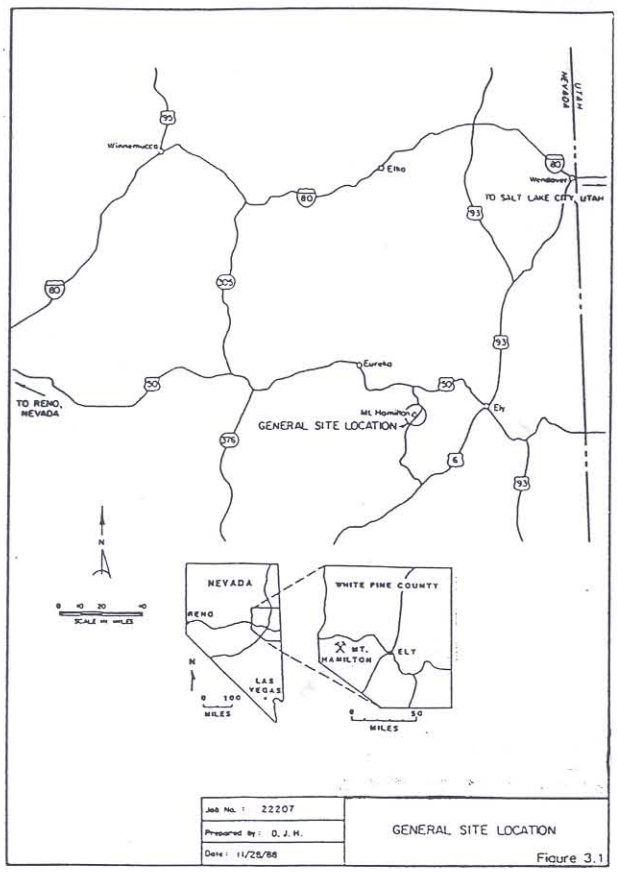


Figure 8

MHMC completed a final Feasibility Study on the property in April 1990 and updated it in 1991 after completion of engineering studies. A full Environmental Assessment also was completed with a Plan of Operations approved by the Forest Service and BLM. All necessary Operating Permits and permits-to-construct are in place with the exception of the final plant operating permit. A four mile main

haul road from the mine area to the leach pad was constructed. Rea Gold is fast-tracking a three month program to verify land tenure; a consulting geostatistician is checking reserve block modeling; also, a vigorous examination of existing permits is under way with the intention to retain Mt. Hamilton's development status under its Environmental Assessment permits. Timing of the projected development schedule is shown (**Figure 9**) below.

Mt. Hamilton Development Plan

Activity	Status
• Feasibility Study Audit	In Progress
• Complete Acquisition	Target Date: late 1st Qtr 1994
• Commence Engineering & Procurement	Target Date: late 1st Qtr 1994
• Commence Construction & Development	Target Date: late 2nd Qtr 1994
• Commence Heap Leach Recovery	Target Date: 4th Qtr 1994

Figure 9

Geology & Ore Reserves

Mt. Hamilton is on the western slopes of the White Pine Range in White Pine County, Nevada 44 miles west of Ely, NV. Sedimentary rocks include 2,100 to 2,700 feet of Middle Cambrian limestone and shales. Two periods of structural deformation produced broad north-south folds and high angle faults having northwest and northeast orientations. This sedimentary sequence was intruded by two Cretaceous aged stocks - the Seligman and the Monte Cristo. Sediments were metamorphosed largely to a hornfels stage and were later subjected to retrograde metasomatic alteration. An hydrothermal alteration aureole in the sedimentary rocks surrounds each stock. Gold mineralization is mostly associated with, and highest gold grades correlate strongly to, retrograde alteration zones.

The NE Seligman and Centennial deposits are controlled both structurally and stratigraphically. The NE Seligman ore grade is controlled by intersections of NW trending high angle structures with structurally prepared zones dipping at low to moderate angles to bedding. Centennial ore grade mineralization appears to be largely stratiform in shallow-dipping structurally and chemically prepared zones.

The two gold/silver zones were delineated by over 400 drill holes completed from 1984 through 1993. Drilling occurred each year after the initial Feasibility Study was finished in 1990 and both reserves and the geologic model for each deposit were updated after each drilling campaign. Pincock Allen Holt (PAH) calculated geologic mineral inventory and mineable reserves using indicator kriging and whole block kriging, respectively, that was constrained by a manually developed geologic model based on 25 x 25 x 10 - foot blocks. PAH completed a comprehensive reserve study in September 1993. Mineable reserves (**Figure 10**) were calculated using a floating-cone computer model based on US $400 gold.

Ore Reserves as Calculated by Pincock Allen Holt

	NE Seligman	Centennial	Total Both Pits
Cut-off (opt)	0.016	0.016	0.016
Ore Tons (000s)	4,672	4,372	9,044
Ore Grade - Gold (OPT)	0.054	0.049	0.052
Contained Ounces Gold	256,287	214,228	470,515
Waste Tons (000s)	24,449	28,134	52,583
Stripping Ratio	5.23	6.44	5.81

Figure 10

Substantial reserve potential exists on the south side of the Centennial deposit where that deposit remains open and undefined. There are outstanding exploration targets present on the Monte Cristo property having the potential to develop into open pit gold reserves.

Mining

Mining in the NE Seligman deposit will require development of five separate pits, several of which share common walls. The Centennial would be mined by development of one large ultimate pit. Current efforts will focus on fine-tuning starting pit design to extract high grade ore with minimum stripping ratios to produce the shortest possible capital payback period. Production could take place some six months from the time of construction.

The mining schedule calls for an average 1.3 million tons of ore per year with an average of 8.8 million tons of total material mined. Production would be conducted using leased equipment for mining. Mine life would be slightly over 7 years based on current reserves. 1.5 million tons of preproduction stripping will be required. Two valley-fill waste dump areas immediately adjacent to the NE Seligman and Centennial deposits have been permitted. Waste hauls would be very short with little haulage uphill. Two blast hole drill rigs will be used with two 11.5 cubic yard hydraulic shovels loading a fleet of six 85 ton mine haul tucks. Nine ore haul trucks would move ore to the pad and manage mine and crusher stockpiles. Ore will be hauled 4 miles downhill to the leach pad area on the relatively flat valley floor at the foot of Mt. Hamilton.

Crushing & Processing

Ore will be crushed to -1/2 inch in two stages, agglomerated with cement and placed on the leach pad using conveyors and a radial stacker. Recovery to gold/silver dore bars will be through a standard Carbon-In-Leach plant. Recovery rates of 75% for gold and 45% for silver have been determined from a series of column tests run on bulk samples of both high-grade and low-grade ore.

Operating Costs

Below (**Figure 11**) is a preliminary projection of the operating costs for Mt. Hamilton.

Operating Costs Summary

Mining Ore & Waste	5.93
Haulage	1.10
Processing	3.29
General & Admin.	0.67
Projected Operating Costs	$10.99

Figure 11

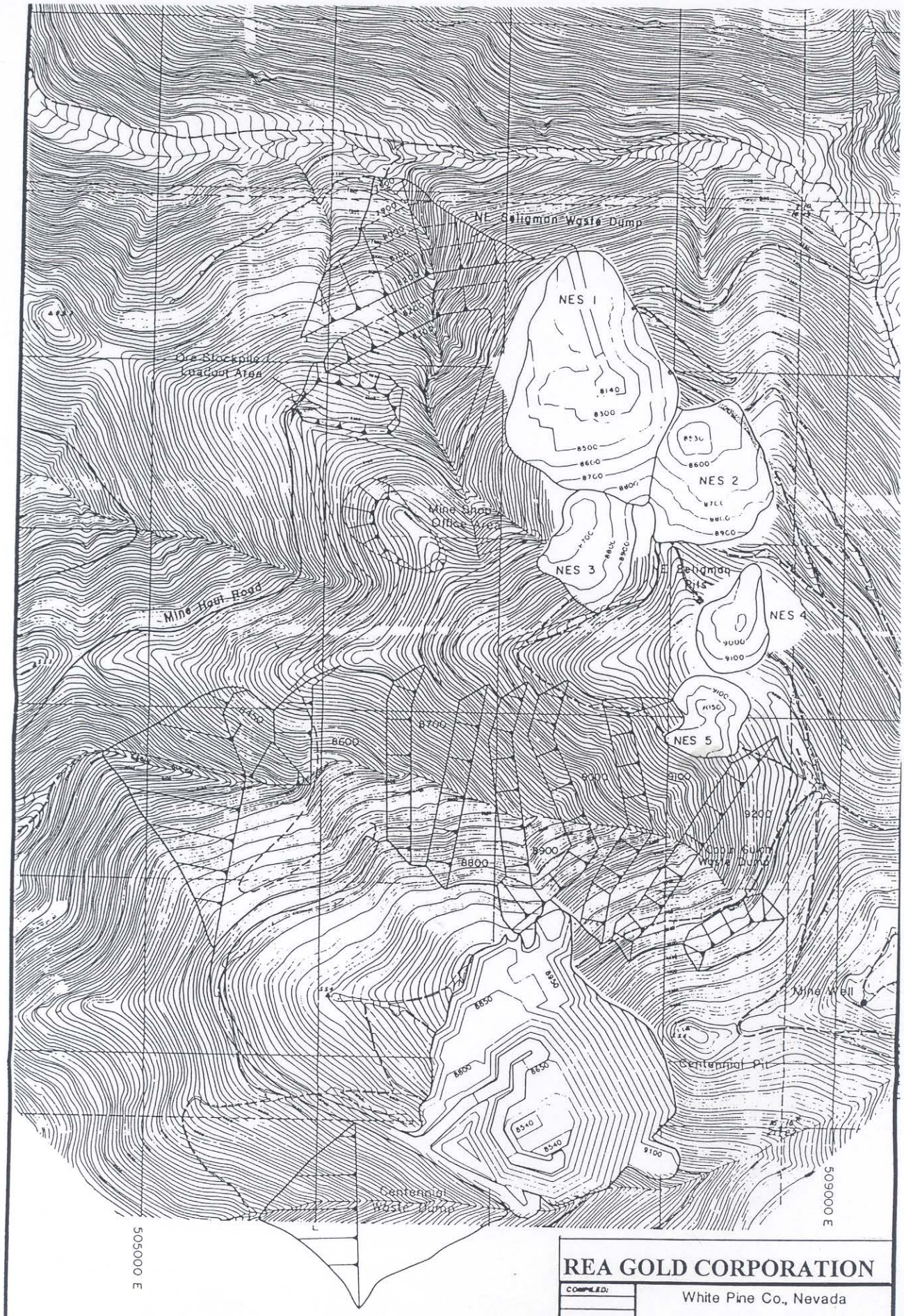
Capital Costs

Below (**Figure 12**) is a preliminary projection of capital costs for Mt. Hamilton.

Capital Cost Summary

Mine Equipment and Shop Facilities	$1.0
Road Construction	0.3
Plant & General Facilities	8.7
Production & Stripping	1.4
Working Capital	1.0
Projected Capital Costs	$12.4

Figure 12



REA GOLD CORPORATION

White Pine Co., Nevada

Mt. Hamilton Project

Mine Area General Site Plan

Ultimate Development

Figure 2

COMPILED:	
DRAFTED:	
REVISED:	4/16/90 1/11/91
DATE: 7/26/89	SCALE: 1" = 500' DWG. NO.:

Overview - Bissett Gold Project

The Bissett Gold Project is a 100% -owned, major underground mine and mill complex located 160 road miles northeast of Winnipeg, Manitoba (**Figure 13**). Bissett was a past producer of 1.36 million ounces of gold from 4.88 million tons of ore from 1932 through 1968. The mill was rebuilt in 1981 at a capacity of 500 tons per day, after a fire in 1980, and processed about 117,000 tons of upper level remnant ore plus custom ore. In 1985-86 Canadian Nickel undertook a $2.1 million exploration program to define new stockwork-type veins amenable to low cost mining. This program defined approximately 1.5 million ore tons in new veins below former working levels.

Rea Gold bought the property in 1989 for stock then valued at $7.9 million. Current mineable reserves estimated by Dolmage Campbell are 1.5 million tons of ore grading 0.216 OPT containing 324,269 ounces of gold. Historical recovery was 97%. A study undertaken for the company by Burgoyne Geological Inc., concluded that the cumulative deposit potential, including current reserves, is over 1.0 million ounces of contained gold.

Project Summary

Mineable reserves are principally contained in two quartz vein systems within a steeply dipping basalt or diabase sill. Geologic gold reserves in the mine Upper Levels are 342,500 tons grading 0.212 OPT at an 0.15 OPT cut-off. Mineable reserves in the Lower Levels are 1.2 million tons grading 0.222 OPT at an 0.175 cut-off. Potential new reserves from the 28 to 47 levels, based on 1,520 tons per vertical foot with a grade similar to the historical 0.285 OPT gold grade, are estimated to be 2-to-2.4 million tons.

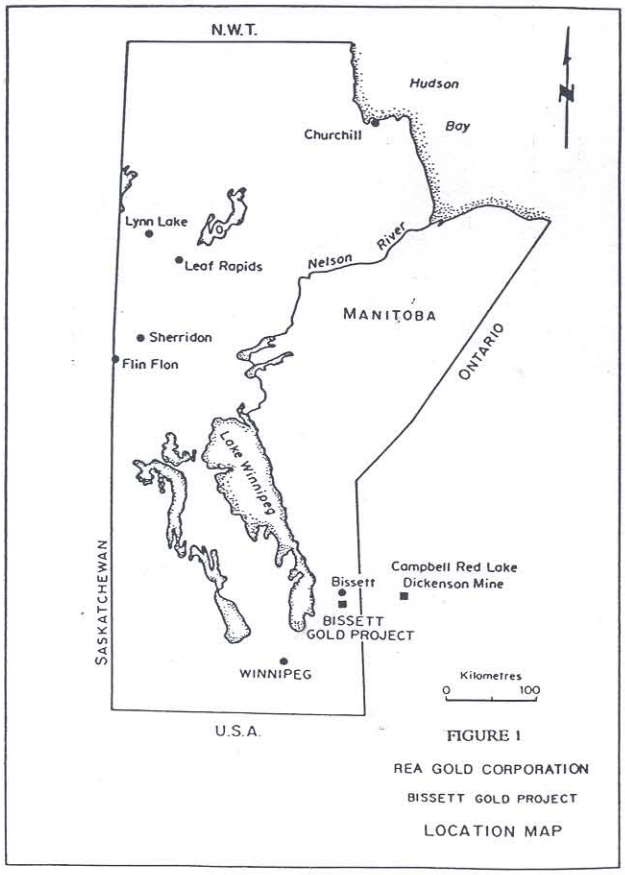


Figure 13

In a series of recent studies carried out by Burgoyne Geological, Tonto Mining and Kilborn Engineering, Rea determined that if at least one million tons of additional reserves can be added it will be feasible to increase mine production from the lower levels to 1,000 tons per day.

The cost reduction development concepts identified in those studies include the elimination of two of the intermediate shafts by deepening the main surface shaft below the 10 level to the 26 level.. Further down dip access

would be by ramp paralleling ore zones which typically dip at about 45 degrees and utilizing trackless equipment. Surface facilities would be expanded by doubling mill capacity and developing a new tailings disposal site. A cyanide leach circuit would be added to permit production of dore on site.

Based on favorable cost reductions concluded by these studies, Rea now plans to carry out a $3 million exploration and feasibility program designed to delineate additional reserves both at depth and along strike. Work will include dewatering and rehabilitating shafts to access the lower levels where 1,000 feet of exploration drifting and 15,000 feet of drilling is planned.

Bissett Development Plan

Activity	Status
• MEIP application approval	In Progress
• New Mine Status application approval	In Progress
• Raise Flow Through Share Funding	Pending Approvals
• Start Mine Access Rehabilitation	Target Date: late 4th Qtr 1993
• Commence Exploration Drilling	Target Date: 1st Qtr 1994
• Assess Exploration Results	
Complete Feasibility Study	Target Date: 2nd Qtr 1994
• **Mine Production Decision**	**Target Date: 2nd Qtr 1994**
• Commence Expansion Of Hoisting Facilities	Target Date: 3rd Qtr 1994
• Start-up of Milling at 500 tpd.	Target Date: 4th Qtr 1994
• Start Expansion Of Mill	Target Date: 4th Qtr 1994
• Commence Milling at 1000 tpd	Target Date: 4th Qtr 1995

Figure 14

Geology & Ore Reserves

The mine lies on the northeastern limb of an anticline which dominates Rice Lake (adjoining) regional structure. The rock sequence strikes 125^{o} and dips 48^{o} northeast. The rock sequence, felsic to intermediate flows overlain by carbonate-sericite schist, is commonly intruded by diabase dykes and sills and by gabbro, diorite and quartz diorite sills, dykes and breccia. Ore is hosted in the San Antonio Mine (SAM) Unit which is at least 3 to 4 miles long and 50 to 300 feet thick. The SAM unit thickens to 400 to 500 feet with a strike of 300^{o} to 310^{o} and a 48^{o} dip northeast. Gold mineralization is confined to a 1,700 foot strike length.

Gold is the only economic mineralization with silver present in a 7:1 ratio. Gold occurs in two principal vein types:

- Stockwork or 38-type veins average 300 to 500 feet long, 20 feet wide and extend 600 feet down dip. Mineralization consists generally of two structural elements; a breccia zone rich in

sulphides having high gold values and stacks of flat-lying quartz veinlets radiating from both sides of the breccia zone for an average distance of 15-20 feet.

- 16-type veins which are sheet-type veins commonly 4 feet wide. Horizontal length is restricted being up to 400 feet but these veins are extensive down dip. 16-type veins contain minor amounts of sulphides and gold mineralization.

In 1985 Canadian Nickel undertook an extensive re-evaluation of prior exploration and mining results. During late 1985 and early 1986 they conducted a $2.1 million, 20,088 foot drilling program of 22 drill holes with the objective to substantially increase reserves in the lower levels of the mine. Canadian Nickel defined a geologic resource of 1,457,576 tons grading 0.233 OPT gold. The deposit(s) remained open along its southeastern strike and at depth. Canadian Nickel was unable to conclude a mutually satisfactory agreement with the then mine owner for a rehabilitation program.

Dolmage Campbell in 1989 drew upon the Canadian Nickel reports to calculate the following (**Figure 15**) mineable reserves for Bissett Upper and Lower Levels.

Bissett Gold Mineable Reserves

	Lower Levels	Upper Levels	Total Both Levels
Cut-off (opt)	0.175	0.150	0.170
Ore Tons (000s)	1,200	301	1,501
Ore Grade - Gold (OPT)	0.222	0.192	0.216
Contained Ounces Gold	266,400	57,869	324,269

Figure 15

Bissett Mine Development Program

The Company has submitted applications to Manitoba Energy and Mines for consideration of a proposed exploration program and has verbally received New Mine Status from Manitoba. Rea has been verbally assured by Revenue Canada that such expenditures would qualify as Canadian Exploration Expenses under the Income Tax Act. Development expenditures for a new mine at Bissett would qualify to shelter income from Provincial and Federal income taxes until the respective tax pools are fully utilized. Bissett's capital expenditure payback period would therefore be enhanced.

The proposed exploration program is designed to test for new stockwork vein structures, plus extensions to the new veins delineated in the 1985-86 program, largely below former producing levels. If these additional ore bodies are found, Rea proposes to mine them along with the veins outlined by previous programs; deepen the current A shaft; and develop new access to the lower portion of the mine by means of a ramp.

Surface facilities would also be substantially expanded. A larger hoist and headframe would be installed. Mill capacity would be doubled to 1,000 tons per day and a new cyanidation circuit as well as a new smelter would be added. A new tailings area would be developed about 1 kilometre north of the existing plant site.

Operating Costs

Below (**Figure 16**) is a preliminary projection of operating costs for the new Bissett Gold Project.

Operating Cost Summary

Mining	$54.32
Milling	8.82
Plant & Electrical	4.03
Administration	2.23
Projected Operating Costs	$69.32

Figure 16

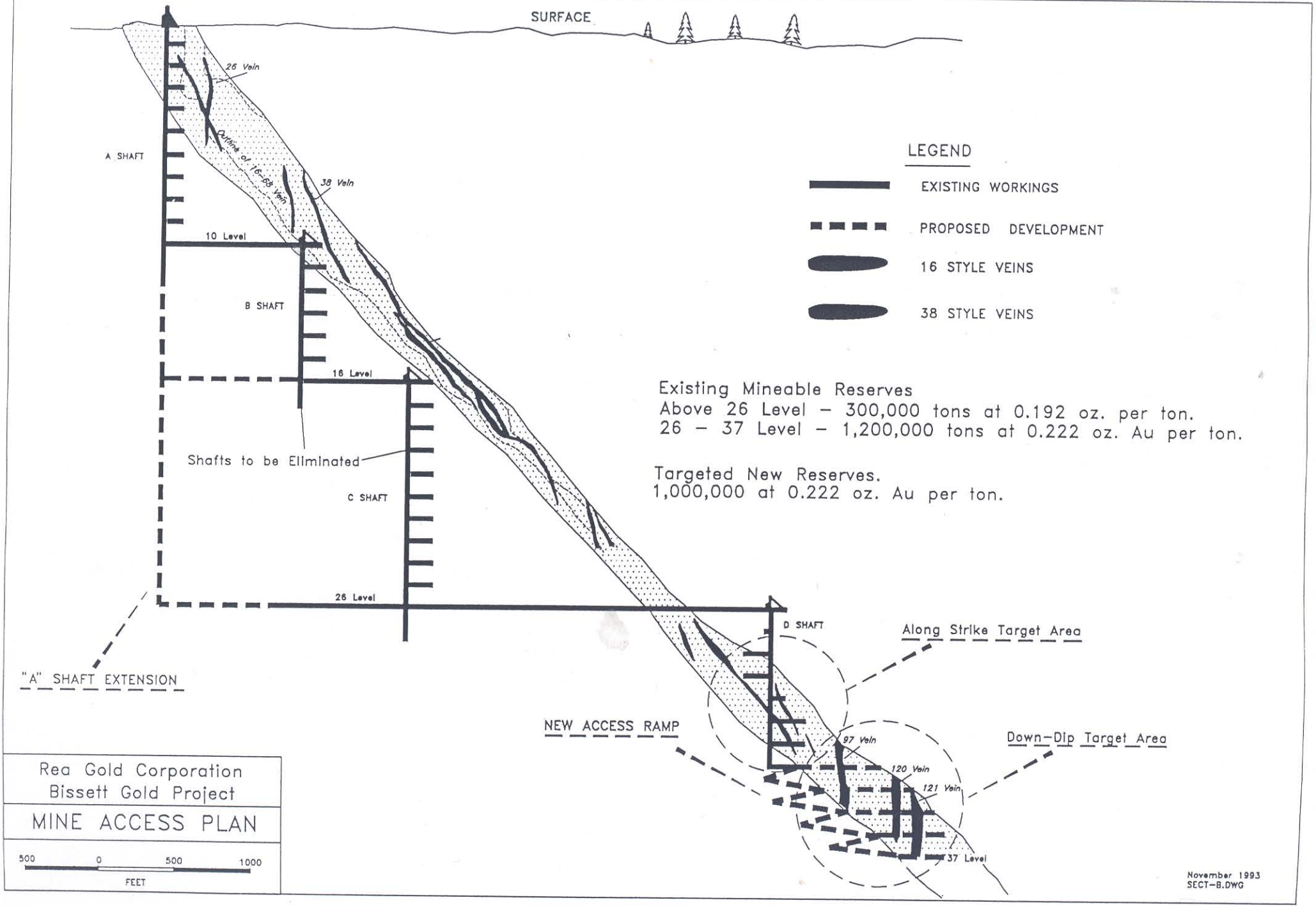
Capital Costs

Below (**Figure 17**) is a preliminary projection of capital costs for the new Bissett Gold Project.

Capital Cost Summary

Exploration Program	$3.0
Mobilization	0.8
Deepen A Shaft	4.8
Ventilation	0.3
Trackless Development	2.4
Track Development	1.6
Mining Equipment	2.1
Preproduction Indirects	4.8
Mill Rehabilitate To 500 tpd.	1.2
Mill Rehabilitate To 1000 tpd.	6.4
Projected Capital Costs	$27.4

Figure 17


SURFACE
26 Vein
Outline of 16-DB Vein
38 Vein
A SHAFT
10 Level
B SHAFT
16 Level
Shafts to be Elliminated
C SHAFT
26 Level
D SHAFT
"A" SHAFT EXTENSION
NEW ACCESS RAMP
Along Strike Target Area
Down-Dip Target Area
97 Vein
120 Vein
121 Vein
37 Level
LEGEND
EXISTING WORKINGS
PROPOSED DEVELOPMENT
16 STYLE VEINS
38 STYLE VEINS
Existing Mineable Reserves
Above 26 Level - 300,000 tons at 0.192 oz. per ton.
26 - 37 Level - 1,200,000 tons at 0.222 oz. Au per ton.
Targeted New Reserves.
1,000,000 at 0.222 oz. Au per ton.
Rea Gold Corporation
Bissett Gold Project
MINE ACCESS PLAN
500 0 500 1000
FEET
November 1993
SECT-B.DWG

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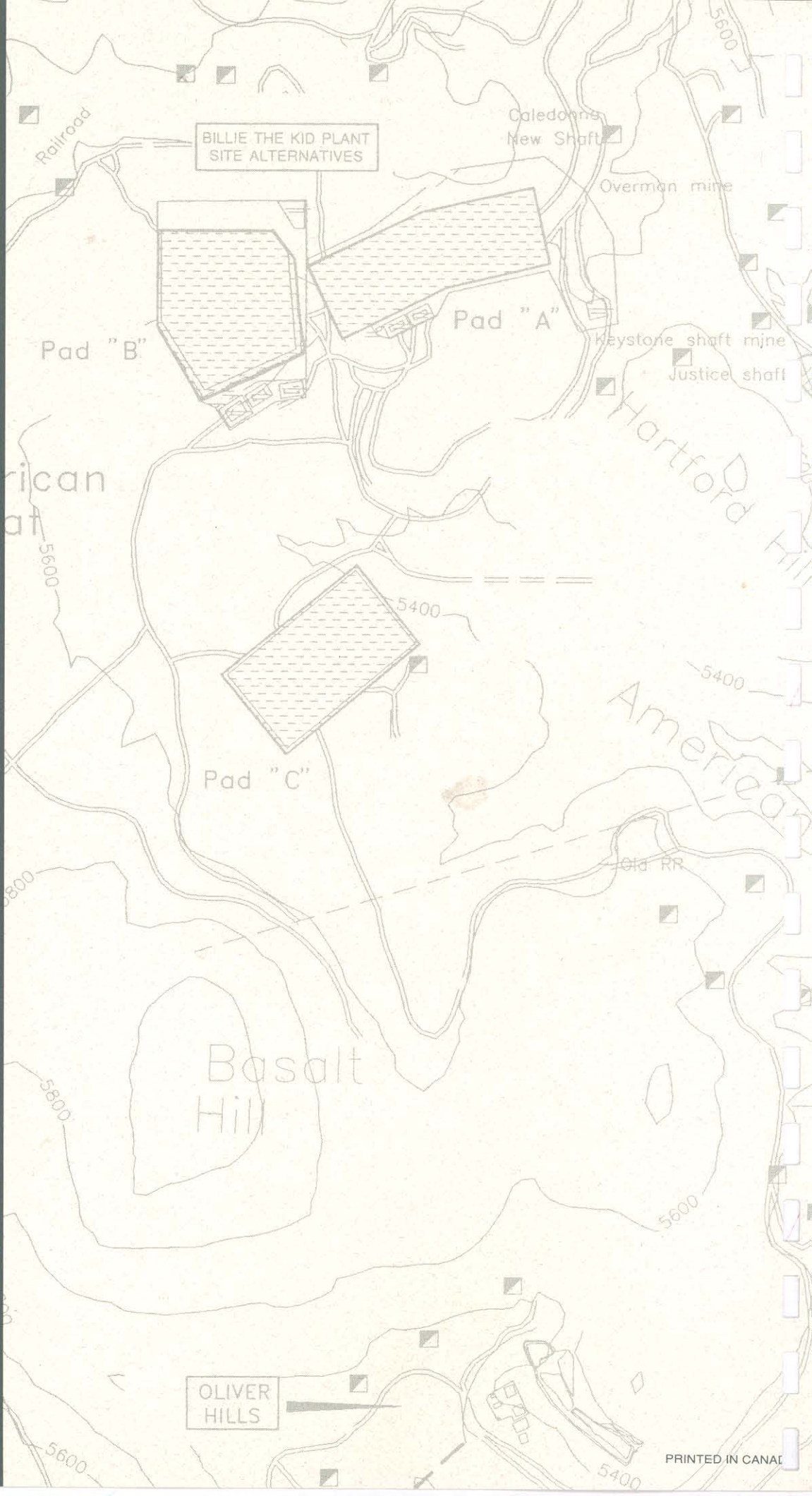

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REA GOLD

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