

*George Cross**Reliable R*NO.38(1990)
FEBRUARY 22, 1990

WESTERN CANADIAN

COVE RESOURCES CORP. (COV-V)

ALPINE PROJECT J/V SIGNED - Richard N. McRae, president, reports Cove Resources Corp. signed a joint venture agreement with a private Ontario company to explore Cove's Alpine mine project near Nelson in southeastern B.C. The agreement provides for staged payments to Cove totalling \$800,000 plus exploration funds of \$3,300,000 over five years.

In addition, the private company can earn the right to process existing ore reserves and mine dump material following two payments to Cove totalling \$400,000 and provision for \$900,000 for further development; payments are due Mar 1 and June 1/90.

Net profits from processing existing unquantified underground reserves from the mine's No. 10 level to the surface and from an estimated 25,000 tons of dump material is to be shared on a 70/30 percent basis. The historic grade of underground material has been in the range of 0.6 oz.gold/ton.

The joint venture agreement also requires the private firm to fund subsequent commercial production costs. During a pre-production cost recovery period, Cove will receive a 2% net smelter royalty and credit for its development costs to date, less the \$800,000 in cash payments. Subsequently, recovery net profits will be shared 70% by the partner and 30% by Cove.

An initial \$350,000 program is to begin 15Mar90 that comprises drilling, access and roadwork development and improvement of the 10th level. Phase II operations with a budget of \$550,000 for proving up reserves is expected to start by June/90.

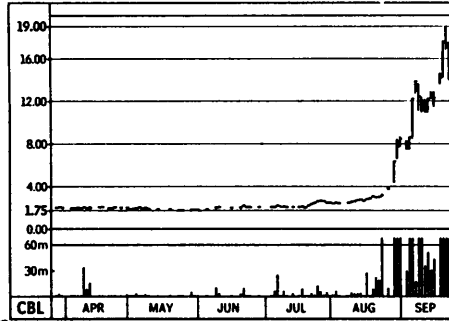
The partner must make all 1990 and subsequent property payments and make all necessary assessment filings. The agreement covers about 8,000 acres of Cove's 18,000 acres in the gold camp where Cove has spent about \$2,500,000 in rehabilitating underground workings, road construction and diamond drilling. The agreement, subject to regulatory approval, also provides for a first refusal right to participate in any development of the 10,000 acres not covered. (SEE GCNL No. 185, 26Sep89, P.3 FOR EARLIER INFORMATION)

82FNW 127

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225	230	5.0	0.389	9.0	
26	55	70	15.0	0.038	2.0
27	65	70	5.0	0.045	3.3
29	120	126	5.0	0.068	6.7
31	0	5	5.0	0.466	15.0
33	40	45	5.0	0.185	50.0
35	205	210	5.0	0.095	14.0

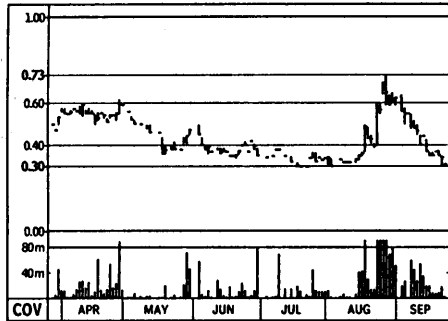
Crown Butte Resources Ltd CBL
 Shares issued: 3,019,282 Sep 25 close: \$15.00



190-				
225	35	.385	cut	1.33 1.56
HOLE 89-277				
340-				
350	10	.118	nil	nil
395-				
410	15	nil		
HOLE 89-278				
160-				
165	5	.123	.34	n/a
275-				
290	15	.146	.12	.49
HOLE 89-280				
255-				
355	100	.260	1.87	3.44

Holes 22 to 33 were drilled in the Geel and North Geel pit areas downdip and along strike from holes 1 to 6. All holes intersected the target strata. Holes 34 and 35 were drilled to the south. Corpotech has contracted with Prime Explorations Ltd to provide management and consulting services on its behalf for the Bivens Creek project.

Cove Resources Corporation COV
 Shares issued: 9,292,034 Sep 25 close: \$0.31



News Release . . . Cominco doesn't intend to exercise Alpine option

Mr Richard McRae reports

The company has been advised verbally that Cominco Exploration does not intend to exercise its option to acquire an interest in Cove's Alpine project near Nelson, BC.

Cominco has reported that assay results from a recently completed program were inconclusive, even though intersections of significant gold grade mineralizations were encountered.

The positive results includes:

HOLE	FROM/TO (m)	LENGTH (m)	Au g/t	Au Oz/T
1	105.5 106.0	0.50	4.62	0.13
5	115.3 116.1	0.80	22.10	0.66
6	112.0 112.9	0.90	5.14	0.16
	113.9 114.9	1.00	4.87	0.14
12	126.4 127.1	0.70	(122,000 ppm)	

The company views the drilling results as further demonstration of the probability of a smaller tonnage but high grade operation.

The company has entered into negotiations with three separate offshore funding groups for participation in further development of the project.

Diamond drilling is in progress on the company's Eskay Creek project, where the company has a 25% interest in approximately 50,000 acres.

The company also is discussing joint venture opportunities on its Iskut River claims.

News Release . . . New World drill results

Noranda Inc (NOR)

Mr David B. Rovig reports

The company, owner of New World property in Park County, Montana and Noranda Exploration Inc, the project manager, report the following New World results.

MILLER CREEK ZONE

Three rigs are drilling on the Miller Creek zone with the zone open to the east south east and to the north where recently drilled hole 89-415 intersected 95 ft of mineralized skarn. Assays are pending on a total of thirteen core and reverse circulation holes. New results include holes 89-279, 89-282, 89-283, 89-333, 89-336, 89-339, 89-340, 89-342, 89-347, and 89-395 which had no significant assays and largely determined the zone's western boundary. Holes 89-279 and 89-282 intercepted intrusive dike or sill material and are therefore inconclusive. Other new results are as follows.

Intvl (ft)	Thick (ft)	Au oz/ton	Cu %	Ag oz/ton
HOLE 89-334				
225-				
250	25	.146	.35	.73
HOLE 89-335				
230-				
245	15	.109	nil	.63
265-				
275	10	.102	nil	.59
295-				
300	5	.101	nil	.34
HOLE 89-337				
85-				
100	15	.236	.80	.88
185-				
230	45	.145	.33	.61
240-				
255	15	.224	.78	.72
HOLE 89-338				
110-				
115	5	.207	n/a	n/a
HOLE 89-341				
235-				
240	5	.134	n/a	n/a
HOLE 89-275				
145-				
165	20	.370	cut	1.68 2.52

Copper and silver assays are now available for the following previously reported holes. Throughout this report averages reported as cut have had all gold assays above 1.0 opt averaged at 1.0 opt.

FISHER MOUNTAIN BRECCIA ZONE

Offset holes to the mineralized hole 89-235 did not intersect significant values.

Fisher Mountain Zone Update

HOLE 89-263

190-				
205	15	.15	.283	.343
HOLE 89-299				
139.1-				
144.8	5.7	.178	.42	1.98
HOLE 89-198C				
59 -				
90	31	.362	cut	.05 8.65

The first deep hole on this zone, 297-C, was completed to a depth of 851 feet and intersected 90 feet of sulphide-rich skarn from 700-790 feet.

Cutlass Industries Corporation CUC
 Shares issued: 3,671,467 Jul 8/88 close: \$0.40
Filing Statement

The VSE has accepted for filing the company's filing statement dated July 26 1989 which discloses the following:

The company has issued 375,000 additional principal shares to four individuals.

A transfer of 175,000 previously issued escrow shares has been made to Douglas A. MacNaughton.

A private placement of 1,000,000 units (each unit being one share and one warrant to buy an additional share at \$0.30 per share for one year and at \$0.35 for the second year). The placement is with Margrae Holdings, a company controlled by a director of the company.

The issuance of 591,000 shares per share to three creditors to settle \$345,227 outstanding debt.

The company, through its subsidiary, Triangle Transportation and Warehousing Systems, has entered into a sale and leaseback agreement with Pier Mac Petroleum Installation, a company controlled by Douglas MacNaughton the president of Cutlass. The proceeds of the lease were used to payout bank indebtedness. The company has an option to repurchase the equipment.

Cease Trade Company Rescinded

Effective at the opening September 26 1989, trading will be reinstated in the securities of the company, the BC securities commission having advised the exchange that the company has now filed the required records or prescribed information which was subject of a cease trade order dated July 8 1988.

NO. 185(1989)
SEPTEMBER 26, 1989

George

COVE RESOURCES CORP. (COV-V)

COMINCO RECONSIDERS - Richard McRae, president reports B.C. ALPINE PROJECT Cove Resources has been verbally advised Cominco Ltd. will not exercise the option to acquire an interest in the Alpine project at 7,212 feet elevation, 12 miles NE of Nelson, B.C. Cominco could have earned a 100% interest by placing the property into production.

Cominco reported that assay results from a recently completed drilling program were inconclusive. Some of the results included:

<u>HOLE</u>	<u>INTERVAL</u> <u>METERS</u>	<u>LENGTH</u> <u>METERS</u>	<u>GOLD</u> <u>G/TONNE</u>	<u>GOLD</u> <u>OZ/T</u>	McRae said
89-1	105.5-106.0	0.50	4.62	0.13	' the company
89-5	115.3-116.1	.80	22.10	.66	' views the
89-6	112.0-112.9	.90	5.14	.16	' drilling
and	113.9-114.9	1.00	4.87	.14	' results as
89-12	126.4-127.1	.70	(122,000ppm)	3.57	' a "further

' demonstration
of the prob-
ability of a smaller tonnage high grade operation".

Cove has entered into negotiations with three separate off-shore funding groups for participation in further development of the project.

82F NW 127

George Cross

Reliable R

NO. 218(1990)
NOVEMBER 9, 1990

COVE RESOURCES CORPORATION (COV-V)

DRILL MOBILIZED - Rahoul Sharan, secretary, reports
Cove Resources Corp. has mobilized a
diamond drill rig and crew to its 100%-owned 14,000-acre
Alpine mine project near Nelson in southeast B.C.

A 2,000-foot drill program costing \$150,000, is
planned for the project. The company expects that this
new drilling will demonstrate the continuity of high
grade ore to over 1,000 feet below the previous No. 10
level. This would greatly enhance the existing high
grade ore reserves. Production from the No. 10 level
during the late 1930's and early 1940's averaged 0.68
oz. gold/ton plus silver lead and zinc values.

Cove is currently negotiating with two mining
companies to provide funds for an underground drilling
and bulk sampling program on a joint venture basis.

Cove has now spent in excess of \$2,000,000 on in
refurbishment and exploration of the former high grade
gold producer. (SEE GCNL No.107, 4Jun90, P.2 FOR
RELATED INFORMATION)

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