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**George Cross News Letter**  
"Reliable Reporting"  
WESTERN CANADIAN INVESTMENTS

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SUBSCRIPTION RATE  
\$350.00 PER YEAR  
MAY 24 1995

9 (1995)  
24, 1995

E. M. P. D.  
No. 99 (1995)  
MAY 24, 1995

**I.M.P. INDUSTRIAL MINERAL PARK MINING CORP.**  
[IME-V] 2,422,983 SHS.  
BLACK CRYSTAL DRILLING REPORT - Paul Schiller, president,  
reports I.M.P. Industrial  
Mineral Park Mining Corp. has been developing a crystalline  
graphite deposit in the Slocan Valley, near the headwaters of Holder  
Creek, 73 km north of Trail, B.C. A drilling program has just been  
completed of 13 holes from 100 to 300 feet deep. Most of the cores  
are mineralized throughout with graphite, with heavy bands of rich  
mineralization in marble, varying from 6 to 8 feet in depth.  
The cores were taken to The Quinto Mining Corp.'s (a related  
company) laboratory in Lumby, B.C. where they were split. The lab  
will be conducting flotation bench tests and assays. Tests to date  
indicate an average of 3.7% to 4.2% of recoverable graphite per ton.  
Visual estimates of the core confirm these figures.  
The Crystalline graphite to be produced is a unique mineral. The  
deposit is an open pit estimated at 8,000,000 sq. feet. The surface  
consists of decomposed marble, 6 feet to 30 feet in depth, and is  
completely mineralized. Due to the easy accessibility of the ore,  
mining will be done by backhoe and almost no grinding will be  
required. It is projected that it will take many years to process just  
the surface of the deposit.  
The company's plans are to produce high quality graphite that  
sells for US \$1,600 per ton. A total of 50% of planned production  
will be converted into graphite salt (used in manufacture of graphite  
foil). Graphite foil is used to make gaskets for cars, airplanes, heavy  
equipment, etc., and sells for US \$4,000 per ton.  
I.M.P. Industrial Mineral Park has an option to acquire a 50%  
interest from Black Crystal Resources, a company 100%-owned by  
Paul Schiller, by spending \$2,750,000 on exploration at \$900,000  
each six months and issuing 800,000 shares. (SEE GCNL NO.76,  
20Apr95, P.5 FOR PREVIOUS PROJECT INFORMATION)

82F NW ~~Grant~~  
260

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# George Cross News Letter

## "Reliable Reporting"

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NO. 48 (1995)  
MARCH 9, 1995

NO. 48 (1995)  
MARCH 9, 1995

**I.M.P. INDUSTRIAL MINERAL PARK MINING CORP. (IME-V)**  
BULK SAMPLE PERMIT SOUGHT - I.M.P. Industrial Mineral Park  
Mining is seeking a permit to mine a 10,000 bulk sample from the Black Crystal graphite claims. I.M.P. Industrial Mineral, president Paul Schiller, has reported IMP holds an option to earn 50% of the Black Crystal potential graphite property near the headwaters of Holder Creek, 73 km north of Trail, B.C. Black Crystal Resources is owned 100% by Paul Schiller. To earn I.M.P. must spend \$2,750,000 on exploration at \$900,000 each 6 months, issue 800,000 shares. All subject to VSE approval.  
The deposit being explored is a large open pit of 2000 ft. by 4000 ft. of decomposed limestone. The property, has been trenched, bulk sampled and drilled to a depth of 170 feet with probable 62,500,000 tonnes of 4% crystalline graphite. Due to the natural decomposition occurring at this site, the ore does not have to be ground. The drill program will start around 15Mar95. The company is seeking to raise funds for a pilot plant of a proposed 400 tonne per day capacity with construction proposed to start in April 1995. (SEE GCNL NO.33,P.4, FEB.16/95 FOR SOME BACKGROUND.)

B2FNW General  
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NO. 244 (1994)  
DECEMBER 21, 1994

NO. 244 (1994)  
DECEMBER 21, 1994

## I.M.P. INDUSTRIAL MINERAL PARK MINING CORP.

[IME-V] 2,074,441 SHS.

GRAPHITE INTEREST BEING ACQUIRED - Paul Schiller, president, reports I.M.P. Industrial Mineral Park Mining Corp. has agreed in principle to acquire up to a 50% interest in four mineral claims located in the Slocan Mining Division of B.C. from Black Crystal Resources Ltd., a company 100% beneficially owned and controlled by Mr. Schiller. The acquisition constitutes a non-arm's length transaction and is therefore subject to the prior approval of shareholders and the Vancouver Stock Exchange.

Under the terms of the agreement, Industrial Mineral Park can earn a 40% interest in the four mineral claims by spending \$4,000,000 on the property. The company will earn a 10% undivided interest in the claims for each \$1,000,000 spent on the claims. In addition, the company may purchase increments of an additional 2.5% undivided interest in the claims for 200,000 shares of Industrial Mineral Park.

The Black Crystal property is a large graphite surface bulk mineable deposit with each mineral claim consisting of 20 units plus four internal claims located near the headwaters of Holder Creek, about 74 km north of Trail, B.C. Industrial Mineral Park has received a report on the property dated 15Dec94 prepared by D.A. Howard, M.Sc., P.Eng. According to the conclusions and recommendations of Mr. Howard, the results of trenching bulk sampling, metallurgical testing and a reverse circulation drilling completed in 1994 have shown the Black Crystal property has an potential for becoming a major graphite deposit based on its indicated size, grade, ease of mining, ease of milling and the coarse grained flake size of the graphite. Geological mapping and drill results have established graphite mineralization is present in an area measuring 300 metres by 600 metres and appears to be open in at last three directions (east, west, and south) and down dip for an unknown distance. (SEE GCNL NO.201, Oct.20/94, P.5 FOR OTHER CORPORATE INFORMATION)

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stockwork systems and local miners are extracting significant amounts of free mining gold from these systems.

On the Paititi a series of quartz stockworks are currently being mined by local miners in a pit that now measures some 300 by 850 metres by 15 metres deep. Current production is estimated at over 40 kg per month by rudimentary methods. The quartz stockwork zones have been over-printed by a later Tertiary event producing large areas of epithermal venting within the large quartz stockwork system. This later epithermal mineralization has produced areas of bonanza grade material such as 42 grams gold/tonne over 2 metres and 28 grams/tonne over 3.0 metres. Grab samples have run up to 342 grams gold/tonne. To date, the structures has been traced through Eaglecrest's concessions by the local miners through a series of pits and workings for about nine km.

Work to date has concentrated on the Trinidad which has defined the Trinidad Vein which is 1 to 2 metres wide with a strike length in excess of 1,100 metres. Assays returned values from this structure up to 6.875 grams gold/tonne. Also located on the Trinidad Grid is the La Rosa showing which consists of a stockwork of quartz veins up to 25 cm. wide making up a zone about 40 metres in width and can be traced along strike for 80 metres before it is covered by lateritic material. Results taken from the La Rosa showing ranged from 1.133 grams gold/tonne to 27.955 grams/tonne.

Phase II of the exploration program will start late in May. (SEE GCNL NO.78, 24Apr95, P.3 FOR PREVIOUS PROJECT DETAILS)

#### GETCHELL RESOURCES INC.

[GHS-V] 3,320,946 SHS..

#### TECK CORP.

[TEK-V,T,M] 85,479,189 SHS.

B.C. EXPLORATION TO PROCEED - James T. Gillis, president, Getchell Resources Inc., reports the joint venture management committee has decided to proceed with further exploration of the 2,440-acre Rainbow, located near Kamloops, southern B.C. property. The project is held 30% by Getchell and 70% by Teck. A two-stage program, at a total estimated cost of \$500,000 has been approved. The principal focus of the program will be the attempt to delineate an ore deposit in the previously drilled Zone 2. Work is anticipated to start this month.

The initial stage, to be completed at an estimated cost of \$150,000 will consist of compilation and verification of historic data to establish the location and extent of the Rainbow Zone. Subsequent drilling will attempt to confirm previous drill results and provide information on geological controls as well as assay results for copper, gold, silver and molybdenum. The extent, focus and priorities of the second stage will be dependent upon Stage 1 results.

Getchell intends to conclude a private placement to raise its share of the costs and maintain its 30% interest in the joint venture.

The company continues to engage in advanced stage negotiations with Teck Corp. respecting the development of its nearby Galaxy group of claims. (SEE GCNL NO.49, 10Mar95, P.3 FOR PREVIOUS PROJECT INFORMATION)

#### GOLD CITY MINING CORP.

[GCP-V, ALBERTA] 23,717,966 SHS.

NEWMONT B.C. CLAIMS ACQUIRED - John A. Chapman, president, has reported Gold City Mining Corp., has acquired an option to earn 100% of the 35 Crown granted claims held by Newmont Exploration of Canada Ltd. near Barkerville, B.C.

To earn the interest Gold City must make cash payments and

complete work commitments totalling \$225,000 over five years. Newmont will retain a 3% net smelter return royalty. All subject to regulatory authorities.

Gold City Mining Corp. has assembled about 900,000 hectares of mineral lands in the prolific Cariboo gold fields of central B.C., the largest position ever held by a single owner. The company plans to conduct a major exploration program over the next two years in search of hard-rock low-grade large tonnage gold deposits. Historical placer and hard-rock gold production in the area has been in excess of 3,240,000 ounces. (SEE GCNL NO.74, 18Apr95, P.2 FOR OTHER PROJECT INFORMATION)

#### I.M.P. INDUSTRIAL MINERAL PARK MINING CORP.

[IME-V] 2,422,983 SHS.

BLACK CRYSTAL DRILLING REPORT - Paul Schiller, president, reports I.M.P. Industrial Mineral Park Mining Corp. has been developing a crystalline graphite deposit in the Slocan Valley, near the headwaters of Holder Creek, 73 km north of Trail, B.C. A drilling program has just been completed of 13 holes from 100 to 300 feet deep. Most of the cores are mineralized throughout with graphite, with heavy bands of rich mineralization in marble, varying from 6 to 8 feet in depth.

The cores were taken to The Quinto Mining Corp.'s (a related company) laboratory in Lumby, B.C. where they were split. The lab will be conducting flotation bench tests and assays. Tests to date indicate an average of 3.7% to 4.2% of recoverable graphite per ton. Visual estimates of the core confirm these figures.

The Crystalline graphite to be produced is a unique mineral. The deposit is an open pit estimated at 8,000,000 sq. feet. The surface consists of decomposed marble, 6 feet to 30 feet in depth, and is completely mineralized. Due to the easy accessibility of the ore, mining will be done by backhoe and almost no grinding will be required. It is projected that it will take many years to process just the surface of the deposit.

The company's plans are to produce high quality graphite that sells for US \$1,600 per ton. A total of 50% of planned production will be converted into graphite salt (used in manufacture of graphite foil). Graphite foil is used to make gaskets for cars, airplanes, heavy equipment, etc., and sells for US \$4,000 per ton.

I.M.P. Industrial Mineral Park has an option to acquire a 50% interest from Black Crystal Resources, a company 100%-owned by Paul Schiller, by spending \$2,750,000 on exploration at \$900,000 each six months and issuing 800,000 shares. (SEE GCNL NO.76, 20Apr95, P.5 FOR PREVIOUS PROJECT INFORMATION)

#### LRX CAPITAL CORP.

[LXC-V] 6,562,247 SHS.

UNDERGROUND WORK STARTS - Stephen M. Leahy, director, reports LRX Capital Corp. has started drifting on a newly discovered shoot of high grade gold at its 100%-optioned, subject to 2.5% NSR, Midnight Mine at Rossland, B.C. The new zone was discovered when underground diamond drilling returned a five-foot core length assaying 13.026 oz. gold/ton. The zone has since been accessed by drifting and raising. The high grade shoot within the zone was located in the raise where a four foot channel sample of specimen quality visible gold assayed 1.038 oz/ton.

The recently started sub level drifting program will allow mining crews to follow the visible gold while testing the dimensions of the high grade shoot. Drift rounds will be stockpiled for shipment to a custom milling facility. The company expects to

**FOR THE RECORD**

**GOLDWATER RESOURCES LTD.** [GWR-V] received VSE approval regarding a 1Jun95 letter agreement whereby Goldwater was granted an option by Prime Equities International Corp. to acquire a 50% interest in 108 mineral claims in Voisey Bay and Harp Lake areas, Labrador, by paying Prime \$15,000 cash, issuing 100,000 shs. and spending not less than an aggregate of \$150,000 on exploration of the claims before second anniversary of VSE acceptance.

**HARD SUITS INC.** [HS-V] advised VSE an additional 510,500 common shs. were listed and reserved for issue for purposes of the company's employee incentive stock option plan.

**HIGHGRADE VENTURES LTD.** [HGV-V] received VSE approval relating to a finder's fee of 5,000 shs. payable to Joseph Andruschak in respect of the company's acquisition of 5 mineral properties in Brazil.

**I.M.P. INDUSTRIAL MINERAL PARK MINING CORP.** [IME-V] received VSE approval regarding a private placement of a convertible debenture of \$300,000 at 14% per annum with a 3-year term to maturity and convertible into units at \$2 per unit in year 1, at \$2.25 in year 2 and at \$2.50 per unit in year 3. Each unit comprises 1 share and 1 warrant. Each 2 warrants are exercisable to buy 1 additional share for 1 year at a price at which the debenture was converted into units. I.M.P. will have the right to early redemption of the whole or any part of the principal sum of the debenture for 105% of the principal sum of such debenture at any time after the first 3 months from issue.

I.M.P. will have a right to call for immediate conversion of the debenture in the event the 10-day average closing price of the company's shs. is 50% higher than the conversion price which prevails during such period. The debenture is secured by an unregistered subordinate floating charge over the company's assets. There are 12 places as to \$25,000 each.

The agent, Global Securities Corp. is entitled to a cash finder's fee of \$5,000. In addition, the agent is entitled to receive 3,333 warrants to buy 3,333 shs. of I.M.P. for 2 years in year 1 and at \$2.30 per share in year 2.

**ID BIOMEDICAL CORP.** [IDS-V,M; IDBEF-NASDAQ] announced certain directors and employees exercised stock options under which 548,000 shs. were issued for aggregate proceeds of Cdn \$5,521,100. These stock options were all due to expire 20Sep95. The shs. have been sold pursuant to a pre-arranged agreement.

**MAXWELL ENERGY CORP.** [MXN-V] received VSE approval regarding a 3Aug95 agreement with Canadian Western Bank whereby the company was granted a demand non-revolving loan of Cdn \$1,500,000 at the prime lending rate plus 1.25% per annum. The Bank has taken a charge over certain assets of Maxwell.

**MUTUAL RESOURCES LTD.** [MTR-V] and **GOLDEN KNIGHT RESOURCES INC.** [GKR-V,T,M; NASDAQ-GKRVF] announced the companies agreed to a modification of the terms of the plan of arrangement reported on 10May95 and carried in GCNL 92(95) page 3. Mutual shareholders will receive 1 Golden Knight share and 1 warrant for each 6.4 shs. of Mutual. Four warrants are required to buy 1 Golden Knight share at \$10 per share for 12 months. Concurrently, Golden Knight will acquire from the Crescent Group its rights to receive 9,900,000 shs. of Mutual for 970,000 shs. of Golden Knight and 3% of any net proceeds by Golden Knight directly from the Tarkwa interest. Crescent is to receive shs. in Mutual having vended a 5% interest in the Tarkwa gold mine in Ghana to Mutual. Upon completion of the plan of arrangement, Mutual will become a wholly-owned subsidiary of Golden Knight.

The proposed plan of arrangement was approved by the directors of each company and an information circular will be sent to shareholders with the Mutual shareholder meeting to approve the plan of arrangement scheduled for 26Sep95.

**NICHOLAS FINANCIAL INC.** [NFC.U-V] received VSE approval, subject to closing within 45 days from 10Aug95, regarding a private placement of a US \$200,000 convertible loan with interest at 12% per annum for 3 years. Conversion prices are US \$2 per share in year 1, US \$2.25 in year 2 and US \$2.50 per share in year 3. Placee is Roger T. Mahan, Grantor Trust.

**NORTHWIND VENTURES LTD.** [NWN-V] and partners **FOCAL RESOURCES LTD.** [FCJ-ALBERTA] and Americomm Resources Corp. announced their Reina G lode mineral claims near Goldfield, Nevada, along US highway N.95, 40 miles south of Tonopah, have come under dispute as a result of drilling of holes 1 and 2 of the company's 7 hole program announced 26Jul95 and carried in GCNL 144(95) page 6. Kennecott are claiming the drilling was conducted on their ground. Northwind's survey data indicated the land is under the control of Northwind/ Focal/Americom, however, the company has been advised not to release the results of holes 1 and 2 until such time as this problem has been resolved. The Reina G claims are on strike with and immediately to the north of the Kennecott Goldfield deposit and may possibly host the northern extension of their recently discovered deposit.

The other holes, No.'s 3, 4, 5, 8 and 9 were drilled over magnetometer anomalies along the east side of the Goldfield property. Hole 4 returned a 10 foot zone at surface with 0.125 gm/tonne gold. The other holes were barren.

Northwind will conduct additional drilling pending resolution of the border area ownership with Kennecott.

**OLDS INDUSTRIES INC.** [OLD-V] VSE advised the company is no longer involved in a reverse takeover. Effective at the opening, 18Aug95, trading in Olds shs. resumed.

**PORTMAN EXPLORATION LTD.** [PXL-V] received VSE approval regarding a 30May95 agreement with **TAPESTRY VENTURES LTD.** [TPL-V] whereby Portman will acquire a 50% interest in 192 claims, comprising 2 claim blocks (795M and 902M in vicinity of Voisey Bay, Labrador. In consideration, Portman agreed to make payment of \$35,000, issue 200,000 common shs. to Tapestry and incur \$150,000 of expenses over 2 years.

Also, VSE advised further to the 2 notices dated 14Aug85 carried in GCNL 157(95) page 9, this is to confirm that Portman Explorations and Tapestry Ventures will each hold a 50% interest in the properties.

**PRIMERO INDUSTRIES LTD.** [PMI-V] has elected not to proceed with acquisition of the Harp Lake and Fraser Lake, Labrador properties carried in GCNL 142(95) page 2.

**PUMA MINERALS CORP.** [PUM-V] 16Aug95 statement of material facts filed with and accepted by B.C. Securities Commission and VSE qualified the issue of 6,000,000 shs. to 3 placees, one of which is **BEMA GOLD CORP.** [BGO-V,T] upon conversion of 6,000,000 special warrants at 60¢ per share previously issued under a private placement. No additional consideration will be received by Puma upon the issue of the shs.

The statement of material facts qualified the re-sale, at the market price for the shs. of Puma at time of sale, of 4,950,000 of the 6,000,000 above-mentioned common shs. and the sale of an additional 4,950,000 common shs. which may be acquired pursuant to the exercise of warrants. These 4,950,000 common shs. and 4,950,000 warrants are owned by Bema Gold, a control person of Puma. No shs. of the selling shareholder, Bema, will be sold until after completion of the special warrant conversion.

**REDELL MINING CORP.** [RDC-V] **CORRECTION:** VSE advised further to its 10Aug95 notice carried in GCNL 155(95) page 9, the total number of units should have read 70 for a total principle amount of \$262,500 because Realspan Equities purchased a total of 20 units.

gold/tonne in hole WAR87-02. Trenching near China Pass has yielded one intersection exceeding 1.00 grams gold/tonne: Trench One at 213 metres assayed 1.75 grams gold/tonne over a 2.5-metre interval. A galena-bearing quartz vein with visible gold (previously not reported) has been located west of the Shasta vein, and on the strike extension of the Gossan zone, at the Cariboo-Hudson property

**Staking of Additional Lands:** Based upon the successful airborne and ground exploration results to date, Gold City has acquired significant additional hardrock mineral lands by staking 4,500 hectares of new claims in the following strategic areas: Cariboo Coronada, Coulter Creek, Mount Proserpine, Wolfe Creek and Cunningham Creek. The company now controls more than 13,000 hectares in this mining camp that has seen historical production in excess of 3,000,000 ounces of gold

**Permitting for central processing plant:** Management has initiated meetings with the B.C. Government toward the permitting of a central processing plant, to be located near Barkerville. Gold resources already identified at the Cariboo-Hudson, Island Mountain, Williams Creek and Cariboo Gold Quartz properties would support a 300 tonne-per-day C.I.P. plant. If Gold City's exploration programs for low-grade surface mineable gold ore are successful, the plant size could increase to 2,000 tonnes per day. Management has established a schedule toward a feasibility study in late 1996 and a plant commissioning in late 1997. (SEE GCNL NO.152, 9Aug95, P.4 FOR PREVIOUS WELBAR PROJECT INFORMATION)

**GOLDWATER RESOURCES LTD.**

[GWR-V] 2,328,470 SHS.

**BLACKWATER GOLD CORP.**

[BWG-V] 3,778,192 SHS.

**WESTERN PREMIUM RESOURCE CORP.**

[WPM-V] 18,313,905 SHS.

**SCHEFFERVILLE CLAIMS BEING ACQUIRED** - Naren Majithia, director.

reports Goldwater Resources Ltd. has agreed in principle to buy a 100% interest, subject to a 2% net smelter return royalty, in claim block 1030 in the Labrador Trough, north of Schefferville, Quebec, for staking costs not to exceed \$5,500, plus 200,000 shares, and a finder's fee, subject to regulatory approval.

The property is contiguous to the Franelle property under option by Voisey Bay Resources Ltd. Upon closing, Goldwater intends to start prospecting and geological reconnaissance.

In another development, related company Blackwater Gold Corp. agreed in principle to acquire a 100% interest in a claim block located contiguous to the south of claim blocks 1029 and 1030 in the area noted above by issuing 50,000 shares and repaying out-of-pocket expenses up to \$7,500, subject to regulatory approval. Preliminary prospecting and geological reconnaissance is planned. A finder's fee is payable. The claims are south of the Franelle property.

Thirdly, related company Western Premium Resource Corp. agreed in principle to buy a 100% interest in claim block 1029 in the area noted above by issuing 200,000 shares and repayment of expenses up to \$5,500, subject to regulatory approval. The property is subject to a 2% NSR and is situated contiguous to the Franelle claims. A finder's fee will be paid. Prospecting a geological reconnaissance is planned. (SEE GCNL NO.161, 22Aug95, P.7 FOR OTHER GOLDWATER PROJECT DETAILS)

**I.M.P. INDUSTRIAL MINERAL PARK MINING CORP.**

[IME-V] 2,422,983 SHS.

**BULK SAMPLE PERMIT RECEIVED** - Paul Schiller, president.

I.M.P. Industrial Mineral Park Mining Corp., reports receiving a permit to mine and mill a bulk sample from the Hoder Creek site, located 73 km north of Trail, southeast B.C. The company will haul the material by truck to its mill site on Koch Creek. The Koch Creek site is 31 km. and some 3,000 feet lower in elevation than the mine site. To transport the ore, it was necessary to upgrade the Hoder Creek Forestry road. The company, in conjunction with Slocan Forest Products Ltd., installed 42 culverts. An additional 20 culverts were replaced solely by the company. A backhoe is currently employed at the mine site to open pit, bench mine the graphite marble. The ore is estimated to contain a grade of 6% to 8% flake graphite.

Mr. Schiller also reports approval has been granted to construct a processing plant at the Koch Creek site. The plant will comprise two buildings, one will be for flotation and the other will be used to convert part of the production into graphite salt. To date, the company has purchased 75% of the equipment needed for the mill.

I.M.P. Industrial Mineral Park has an option to acquire a 50% interest from Black Crystal Resources, a company 100%-owned by Mr. Schiller, by spending \$2,750,000 on exploration at \$900,000 each six months and issuing 800,000 shares, subject to regulatory approval. (SEE GCNL NO.119, 21Jun95, P.4 FOR PREVIOUS GRAPHITE PROJECT INFORMATION)

**IMPERIAL METALS CORPORATION**

[IPM-T] 57,047,093 SHS.

**GIANT COPPER DRILLING TO START** - Pierre Lebel, president, Imperial Metals Corp..

reports drilling will start shortly on a two-phase, 17,000-foot diamond drill program at the 100%-owned Giant Copper property located 40 km. southeast of Hope, southwestern B.C.

Phase I drilling will focus on expansion of the near-surface mineral resource within the AM Breccia where previous drilling and underground development have outlined an open pit resource of 23,000,000 tons grading 0.75% copper, 0.015 oz. gold/ton and 0.35 oz. silver/ton. Phase II drilling will be aimed at expanding the mineralized zones at depth.

There is significant exploration potential on the property outside of the AM Breccia. In 1989, drilling on the No. 1 Breccia, located about one km northeast of the AM Breccia, returned 1.46% copper, 10.71% lead, 4.84% zinc and 27 oz. silver/ton over 20 feet. Four other breccia zones have so far been discovered on the Giant Copper property, all of which are largely untested.

The Giant Copper property is comprised of 171 mineral claims forming a continuous block with a surface area of about 40 square km. (SEE GCNL NO.163, 24Aug95, P.1 FOR MT. POLLEY DATA)

**JERSEY GOLDFIELDS CORPORATION**

[JRG-V] 8,460,760 SHS.

**COMINCO LTD.**

[CLT-V, T, M] 79,496,653 SHS.

**ECUADORIAN JOINT VENTURES FORMED** - Jim Yates, president, reports Jersey Gold-

fields Corp. has signed letters of understanding for Cominco Ltd. to earn interests in two of its Ecuadorean properties.

The Chinchinal gold property covers 2.273 hectares in northern Ecuador. Initial exploration work has outlined several epithermal

Under the terms, Pine Channel must pay \$10,000 and issue 100,000 shares upon regulatory approval and conduct exploration over two years. If diamonds are discovered, Pine Channel must issue a further 100,000 shares. The royalty interests may be reduced to 0.25% by paying \$2,000,000 within five years.

The Firstbrook and Bucke Township option agreement with two individuals grants Pine Channel the right to acquire a 100% interest, subject to a 2.25% net return royalty, in 20 unpatented mining claims located north and south of the Opap kimberlite pipe, in Bucke Township and to the west, in Firstbrook Township, which cover an area totalling 2,284 hectares. The terms of the agreement provide for Pine Channel to pay \$5,000 and to conduct an airborne geophysical survey within six months, to issue 100,000 shares upon regulatory approval, to conduct exploration of the property and in the event that kimberlite is discovered and reported, to extract a five-ton bulk sample from the pipe within two years of that date. If diamonds are discovered, Pine Channel must issue a further 100,000 shares. The royalty interests may be reduced to 0.25% by the payment of \$3,000,000 within five years.

Initial results from tests on a minimal amount of kimberlite (12 cm. AX core) from the Opap pipe have produced indicator minerals in the diamond inclusion field. Microscope work, again on a limited amount of core material, indicates at least three different fragment of kimberlite types, suggesting multiple eruptions with a pipe size of 23 to 28 acres.

Delineation drilling is scheduled for the Opap pipe, with a 5-ton sample planned to be taken. Additional drilling on further targets within the area is also being scheduled.

In addition, a complete reworking by Aerodat of the data from the airborne surveys flown over 1,800,000 acres in Saskatchewan has resulted in 20 priority-one targets being outlined. The company is already positive on these targets, with drilling also planned as soon as field conditions permit.

On the Pine Channel gold properties in the Wood Lake and Leland Lake areas, stripping and trenching is presently taking place to identify further drill targets. (SEE GCNL NO.108, 6Jun95, P.4 FOR PREVIOUS RELATED INFORMATION)

#### EAGLECREST EXPLORATIONS LTD.

[EEL-V] 5,841,657 SHS.

**BOLIVIAN EXPLORATION TO BEGIN** - Victor Lahmer, director, reports Eaglecrest Explorations Ltd. has concluded negotiations to option 100% of three additional concessions contiguous to their San Simon, northeast Bolivia holdings, bringing its total land position to over 6,600 hectares.

The cost of the acquisitions, subject to regulatory approval, provide for staged payments totalling US \$665,000 as follows: \$20,000 down payment; \$45,000 six months from VSE approval; \$90,000 one year from VSE approval; \$150,000 eighteen months from VSE approval; \$150,000 two years and \$200,000 thirty months from VSE approval.

A 3% NSR is applicable to production from the concessions with buyout options of 1% for US \$500,000 and 1% for US \$750,000 per concession.

**Phase II:** Over the past three weeks Eaglecrest has embarked on an exploration program to further define drill targets. Work to date has established an additional 60 km of detailed grid and the collection of over 200 rock samples. Grids are now complete on all of Eaglecrest's concessions. Continuing surface work on the

concessions consists of geological mapping, rock chip sampling and airborne geophysical surveys.

Upon compilation of the data, Eaglecrest will start with trenching, bulk sampling, diamond and reverse circulation drilling.

Management believes the San Simon district represents one of the most important gold centres in the Bolivian Precambrian with the potential of a large bulk tonnage deposit.

Eaglecrest continues to pursue advanced gold exploration and production targets in the State of Paraiba, Brazil. (SEE GCNL NO.99, 24May95, P.3 FOR PREVIOUS BOLIVIAN PROJECT DATA)

#### GEMSTAR RESOURCES LTD.

[GMS-V] 4,008,490 SHS.

**CHINESE BATTERY PROJECT TERMINATED/** - Sherman Jen, director,

**REVERSE TAKEOVER PROPOSED** reports Gemstar Resources Ltd. is not proceeding with the acquisition of a 100% interest in the shares of a battery manufacturer in Hebel Province, China as previously announced.

The company is in the process of negotiating the acquisition of Sherman Garments (Hong Kong) Ltd., a private company whose business is the production and retail of garments in China, and the export of garments from China to the United States and Europe.

Sherman Investments Ltd., a B.C. company, has purchased the existing control position of the company subject to regulatory and shareholder approval. Sherman Jen, the principal of Sherman Investment Ltd, is the controlling shareholder of Sherman Garments (Hong Kong) Ltd. The acquisition will result in a reverse takeover of the company.

#### GOLDEN ARCH RESOURCES LTD.

[GARCF-OTC;GAI-V] 11,074,059 SHS.

**GAS WELL ON LINE** - Richard J. Watson, director, Golden Arch Resources Ltd., reports the Stuart Estate "61" No.6 well in Palo Pinto County, Texas is on line and has reached production of 670 MCF of gas per day on a 10/64-inch choke. The company has a 7% interest in this well and has an option to acquire a further 7.5% interest. The gas is being sold at US \$2.12 per 1,000 cubic feet.

Golden Arch has acquired a 7% interest in the Stuart Estate "61" No.7 well with an option to acquire an additional 7.5% interest. The company is carried for all drilling and testing costs on the project and receives its initial interest for a consideration of 35,000 treasury shares upon signing, 35,000 treasury shares upon commercial production and 30,000 treasury shares upon payout. The agreement is subject to regulatory approval. (SEE GCNL NO.100, 25May95, P.3 FOR PREVIOUS PROJECT INFORMATION)

#### I.M.P. INDUSTRIAL PARK MINING CORP.

[IME-V] 2,422,983 SHS.

**BULK SAMPLING PERMIT RECEIVED** - Paul Schiller, president, reports I.M.P. Industrial Park Mining Corp. has received a mining permit to extract a bulk sample from its graphite property in the Slocan valley, near the headwaters of Holder Creek, 73 km north of Trail, southeast B.C. The company is now in the process of setting up a mill 31 km. from the mine site, close to power and highway access.

The company has drill indicated a deposit of 30,000,000 tonnes, of 4% crystalline graphite. The deposit is 8,000,000 square feet of decomposed marble to a depth of 20 to 30 feet above the

marble graphite rock. Since it is decomposed material, mining costs will be low. There will be no need for blasting or grinding of the material during the initial years of production. More than 50% of the material is coarse flakes which are required by industry. The company has the technology to add value to the product by creating graphite salt and products like graphfoil and possibly graphite fibre.

I.M.P. Industrial Mineral Park has an option to acquire a 50% interest from Black Crystal Resources, a company 100%-owned by Paul Schiller, by spending \$2,750,000 on exploration at \$900,000 each six months and issuing 800,000 shares, subject to regulatory approval.

Graphite is used in gaskets and packings, brakes, clutch plates, etc.; graphite salt is used in metallurgy and as a fire retardant additive for manufacturing aircraft and subway seats. (SEE GCNL NO.99, 24May95, P.4 FOR PREVIOUS PROJECT DETAILS)

#### INTERNATIONAL GLENDALE INC.

[IGD-V] 3,113,489 SHS.

ACQUISITION FINALIZED - Frank Power, president, reports International Glendale Inc. has now signed agreements to purchase the two blocks of 100 claims each in Labrador. One block is located on NT5 Map Sheet 14 D/11 in the Voisey Bay area. The other block is located in the Hebron area which has recently been the centre of heavy staking activity. These acquisitions are now being filed for VSE approval. Purchase terms are not reported.

Also, negotiations are continuing regarding the acquisition of several further blocks of 100 claims each, located in the Hebron and Mealy Mountains areas. (SEE GCNL NO.100, 25May95, P.6 FOR PREVIOUS PROJECT INFORMATION)

#### NEVSUN RESOURCES LTD.

[NSU-V] 6,934,756 SHS.

MALI. AFRICA DRILLING STARTS - Craig Angus, president, Nevsun Resources Ltd., reports the start of a minimum 2,000-metre diamond drill program at the Tabakoto concession in the Kenieba Region of western Mali, Africa. This program will follow recent drilling which encountered 22 metres of 10.22 grams gold/tonne in hole T-22 and 32 metres of 7.02 grams gold/tonne in hole T-24. Holes will be drilled both down dip and along strike of these two holes.

In a related developments, Nevsun has signed a formal agreement with the vendor of the Tabakoto East concession which gives Nevsun a 100% interest in the project subject to a 10% net profits interest.

Nevsun holds the Kubi concession which comprises 44 sq. km. adjacent and along strike of the Ashanti Mine in Ghana. (SEE GCNL NO.96, 18May95, P.7 FOR PREVIOUS MALI PROJECT DATA)

#### PERUVIAN GOLD LTD.

[PVO-V] 5,340,444 SHS.

FURTHER HARP LAKE CLAIMS ACQUIRED - David Henstridge, president, reports Peruvian Gold Ltd. has agreed in principal to purchase 100% of 200 claims totalling 12,350 acres, in the Harp Lake area of Labrador, from Newfoundland Mining & Exploration Ltd., Gerald Taylor and 10405 Newfoundland Inc. This acquisition will bring the total area held by company in the Harp Lake area to 1,238 claims totalling 76,450 acres.

The claims are located over the prospective southern margin of the Harp Lake intrusion, are contiguous with two of five blocks

owned by the company in the area and cover known sequences of anorthosite, gabbro and troctolite. The claims straddle the southeastern edge of the intrusion along part of a regional north-south structural trend known as the Nain-Churchill collisional boundary on which the Voisey Bay discovery is located.

The company has sufficient funds to acquire and explore these claims and intends to start an airborne geophysical survey of the claim blocks as soon as possible followed up by ground geological investigation.

The terms of the purchase price are a refund of staking fees, \$40,000 cash and 25,000 Peruvian Gold shares, each share having an attached warrant at \$1.75 for one year. The claims are subject to a 3% NSR with an option to purchase 2% at a cost of \$1,000,000 per percentage point. The agreement is subject to formal documentation and regulatory approval. (SEE GCNL NO.102, 29May95, P.4 FOR PREVIOUS LABRADOR PROJECT INFORMATION)

#### SHOREHAM RESOURCES LTD.

[SMH-V] 7,296,921 SHS.

PERUVIAN EXPLORATION PLANNED - Murray Macham, director, reports Shoreham Resources Ltd. has entered a non-binding letter of intent to carry out a preliminary geological exploration of the Maraycasa copper prospect in Peru. It is anticipated the cost of the evaluation will not exceed US \$10,000, and if the results are encouraging, Shoreham intends to pursue a joint venture agreement with the owners of the property and conduct additional exploration.

Shoreham has negotiated a private placement of 170,000 units at a 15¢ per unit. Each unit consists of one share and one warrant to buy another shares at 20¢ for one year. The proceeds of \$25,500 will be used to fund the initial evaluation of this property and for general working capital purposes.

Shoreham has reached an agreement with two non-arm's length creditors to settle a total of \$60,028.41 of debt by the issuance of 400,189 shares at a deemed price of 15¢ per share. The private placement and debt settlements are subject to regulatory acceptance.

#### TEXAS T RESOURCES INC.

[TXT-V] 2,714,980 SHS.

#### CANADIAN RESERVE GOLD CORP.

[CCG-V] 6,234,795 SHS.

BULLY CHOOP DEAL CANCELLED - J.F. Marsh, director, reports Texas T Resources Inc. has been unable to raise the funds to to earn a 50% interest from Canadian Reserve Gold Corp. on the Bul'y Choop property 35 miles southwest of Weaverville, California. Both parties to the agreement have agreed to terminate the proposal. (SEE GCNL NO.86, 4May95, P.2 FOR PREVIOUS RELATED INFORMATION)

#### UNITED RAYORE GAS LTD.

[URG-V] 25,300,125 SHS.

SASKATCHEWAN UPDATE - Robert L. Bell, president, United Rayore Gas Ltd., provides an update on the Parkman, Saskatchewan field where the company holds a 50% working interest. The first two wells of a six-well horizontal program have been completed and are producing at a rate of 250 barrels per day net to the company. The third horizontal well is presently drilling and is expected to be completed before the end of June. The second horizontal well at Bellvue, California is being production tested when a stabilized rate can be confirmed.