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NO. 54(1991)
MARCH 18, 1991

George Cross News
"Reliable Reporting"

YELLOWJACK RESOURCES LTD. (YJK-V)

DRILLING PLANNED - Ron Sandnes, director, reports

Yellowjack Resources Ltd. has been notified NORANDA INC. will start a \$185,500 first phase diamond drill program on the Katie property located eight km southwest of Salmo, B.C. Noranda can earn a 51% interest in the property by completing a private placement in Yellowjack by 31Dec91. To date, Noranda has spent \$360,000 on the property.

In the fall of 1990 the initial drill program revealed mineralization in all drill holes over an extended strike distance. Hole 5 cut 530 feet of 0.15% copper with 0.16 grams gold/tonne. Hole 9 cut 536 feet of 0.17% copper and 0.18 grams gold/tonne. Hole 10 cut 0.13% copper and 0.11 grams gold/tonne. The drilling has outlined a potential of some 200,000,000 tons. (SEE GCNL No. 34, 18Feb91, P. 2 FOR OTHER PROJECT INFORMATION)

8ZFSW 290

Salmo venture land package grows

VANCOUVER — Proceeds from a recent private placement agreement will be used by the Salmo joint venture to further explore the Katie copper-gold property and newly acquired claim blocks surrounding the Katie property near Salmo, B.C.

Yellowjack Resources (VSE) has a 49% interest in the Salmo joint venture, with **Hemlo Gold Mines (TSE)** holding a 28.34% interest and associated company **Brenda Mines (TSE)**, a 22.66% interest.

The brokered private placement of Yellowjack shares at \$1.45 per share will be subject to a hold period of one year. The minimum offering is \$150,000 and the maximum is \$500,000.

By the end of this year, the partners hope to spend about \$500,000 on further exploration of the Katie property, which will include IP surveys and a further 20 diamond drill holes. About \$70,000 is being budgeted for geochemical and IP (geophysical) survey work on the newly acquired Gus and Lisa claim groups.

The land package also includes the Elise claims held 40% by **International Corona (TSE)**. Yellowjack can earn 29.4% of this claim block, Hemlo will retain 17% and Brenda Mines will earn 13.6%.

The agreements now cover an area totalling 59,553 acres. Yellowjack reports that the main feature on this large property package is a strong region-

al magnetic high anomaly within the Rossland volcanic group of rocks. This feature is described as 10 km long. The north end of this feature covers the Katie property which is presently being drilled as a porphyry copper-gold target.

The remainder of the target is mostly overburden covered, and a geochemical survey to cover the entire strike length will be done this fall.

Willingdon negotiate m

Willingdon Resources (CDN) has reached an agreement in principle to merge with **Sandy K Mines**, a private company.

Sandy K's main asset is high-grade silver and gold property in the Gowganda area of northeastern Ontario.

If the merger goes ahead, Willingdon will acquire

Westar reports more losses

VANCOUVER — An increase in the value of the Canadian dollar as well as a drop in coal shipments and price pushed **Westar Mining (TSE)** into a loss position. The company reports a loss of \$1.6 million in the third quarter ended Sept. 30, on revenues of \$112.9 million. This compares to earnings of \$51.5 million in the third quarter of 1990 on revenues of \$121.4 million.

For the nine months ended Sept. 30, Westar reported a loss of \$21.3 million compared with net earnings of \$38.6 million in the first nine months of 1990. Revenue dropped to \$340.4 million from \$350.7 million last year.

The 1990 results include gains associated with the company's debt restructuring and a \$10.5-million gain from an insurance settlement.

Operating income for third quarter was \$3.5 million compared with \$5.6 million year. Westar had an operating loss of \$11.9 million for the nine months of the year compared with earnings of \$3.9 million last year.

Westar notes that the drop in revenue for the 9-month period was caused by lower coal shipments and the higher Canadian dollar was largely offset by low production costs and the recent decline in interest rates.

Udd receives engineering medal

An engineering medal was recently awarded to John Udd, director of mining research laboratories for **CANMET (Canada Centre for Mineral and Energy Technology)** in Ottawa, for his efforts in uniting Canadian industry, academic and government mining research efforts.

Udd was one of nine members of the Ontario engineering profession to receive medals at the Toronto ceremony from the Association of Professional Engineers of Ontario.

Udd was recognized for conceiving and designing a government-industry research effort

which co-ordinates mining research programs on a national basis and eliminates duplication. Focus of the research is on rockbursts, or sudden collapse of mine openings and stopes

Registry Resources (M) says it has acquired a 50% interest in property in the Sturgeon Lake area of northwestern Ontario from **Golden Resources (VSE)**. The companies are planning an exploration program to be funded equally by them or a third party with an interest in becoming a joint venture partner.

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NO.189(1991)
OCTOBER 1, 1991

DEPARTMENT OF ENERGY, MINES
AND PETROLEUM RESOURCES

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OCT 03 1991

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YELLOWJACK RESOURCES LTD. (YJR-V)

HEMLO GOLD MINES INC. (HEM-V,T,M)

KATIE CLAIMS UPDATE - Ron Sandnes, director, Yellowjack Resources Ltd., reports a proposed phase two drill program for 1991 on the Katie porphyry copper/gold property near Salmo, B.C. presented by project operator Hemlo Gold Mines Inc. was approved with work expected to start shortly. Hemlo Gold can earn a 51% interest in the project. The property is accessible by logging roads and is near all necessary

infrastructure, including power and railway lines. The second phase program will involve gridding, magnetometer and induced polarization geophysical surveys, soil geochemical & geological surveys as well as more diamond drilling in the vicinity of drill holes NKY 91-13 and NKT 91-17 which are about 650 metres apart. These holes tested only a small part of the porphyry copper-gold system. The assays from these two holes were as follows:

HOLE NO.	INTERVAL FEET	LENGTH FEET	COPPER %	GOLD OZ/T	Yellow-Jack Resources Ltd. has
NKT 91-13	144.2 - 579.1	434.9	0.22	0.009	
NKT 91-17	523.3 - 744.8	221.5	.32	.009	

----- also
acquired the Gus and Lisa claim groups which are located in the same general area as the Katie property, subject to regulatory approval.

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Drill program on Katie claims

VANCOUVER — Preparations for a 5,000-ft. drill program are now in progress on the Katie property, a porphyry copper-gold prospect owned by Yellowjacket Resources (VSE) near Salmo, B.C.

The program is being carried out by a unit of Noranda (TSE) which can acquire a 51% interest in the property.

The 1990 program returned several wide intersections of relatively low-grade copper-gold-silver mineralization. The initial 1991 program will consist of six holes to step out from the central core of high magnetics and I.P. chargeability to test zones of moderate responses.

A further soil geochemical survey will also be done north of the existing grid to complete geochemical coverage of the property.

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Northair proposes share consolidation

VANCOUVER — The Toronto Stock Exchange refused to accept a proposal by Northair Mines (VSE) to consolidate the company's stock on the basis of one new share for every five existing shares and to increase the authorized capital from 10 million to 20 million shares.

Northair said it did not meet criteria required by the TSE for a stock consolidation and will therefore make written application to voluntarily delist its shares from that exchange.

Northair shares were conditionally listed on the Vancouver Stock Exchange in early June, and the company will seek the consent of the VSE for the proposed consolidation not later than mid-July of this year.

MVP buys bonds for shares, cash

Following negotiations with the principal holder of its outstanding convertible Swiss bonds, a U.K.-based merchant banker, MVP Capital (TSE) has agreed to a restructuring of the bonds.

As a result of the proposed restructuring, the bonds will be exchanged for cash and preference shares of the company. The purchase price will be a payment of 18% of par and one voting preferred share, par value 4,675 Swiss francs, convertible into 25,212 common shares of MVP.

The preference shares will carry a priority over common shares in the event of the wind-up, dissolution or liquidation of MVP.

The restructuring is conditional upon MVP delivering an acceptable business plan (by June 30), as well as several other factors. MVP owns interests in several junior mining companies.

Trimin following different path

VANCOUVER — Following the sale of its interest in the Hanson Lake copper-gold de-

NO.140(1991)
JULY 22, 1991

George Cross News
"Reliable Reporting"

<u>YELLOWJACK RESOURCES LTD. (YJK-V)</u>					
HOLE NO.	INTERVAL FEET	LENGTH FEET	COPPER %	GOLD OZ/T	KATIE ASSAYS
MKT91-13	144 - 599	455	0.24	0.007	' Ken Murray,
Incl.	144 - 203	59	.33	.008	' director re-
And	317 - 422	105	.37	.018	' ports Yellow-
MKT91-17	518 - 712	194	.36	.009	' jack Resources
Incl.	607 - 687	80	.42	.012	' Ltd. received

' six-hole dia-					
mond drill program completed by <u>MORANDA INC.</u> on the					
Katie property 8 km SW of Salmo, B.C. Moranda can earn					
51% by completing private placements in Yellowjack.					
(SEE GCML No.89, 8May91, P.3 FOR PREVIOUS INFORMATION)					

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YELLOWJACK RESOURCES LTD. (YJK-V)

HOLE NO.	INTERVAL FEET	LENGTH FEET	COPPER %	GOLD OZ/T	COPPER% EQUIV.	' THICK COPPER ZONE CUT -
92-40	223-541	318	0.23	0.011	0.60	' Gary
incl.	390-492	102	.34	.009	.61	' Kilpatrick,
incl.	399-448	49	.42	.011	.75	' president of
						' Yellowjack

Resources has reported assay results from Hole 92-40 which was drilled in the Main Zone of the Katie claims near Salmo, B.C. Hole 92-40, the second hole of a 15,000 foot program was drilled vertically to a depth of 1,107 feet and encountered results in the above table.

Copper-gold mineralization within the Main Zone is contained mainly in Rossland Group andesitic tuff but also extends to over and underlying diorites. The mineralized zone is more than 300 feet thick and occurs in a shallow plunging anticline which appears to form a dip slope with the local moderately sloping topography.

Yellowjack recently started an exploration program to test three copper-gold zones outlined by previous exploration of the Katie claims - the 17, Main and West zones. The program is designed to test the dimensions of the Main Zone, presently recognized as 3,000 feet in length and 1,500 feet in width, with a series of vertical drill holes. Hole 92-40 was the first hole of a fence pattern drilled on the eastern portion of the Main Zone. A second fence pattern will be drilled 150 feet along strike to the northwest. Hole 92-41 has been completed and intersected the main zone, assays are pending. Hole 92-42 is now being drilled.

The company currently holds a 49% joint venture interest in the Katie Claims which will increase to 57% on completion of the current exploration program. Hemlo Gold Mines Inc. and Brenda Mines Ltd. hold the remaining interest in the joint venture. (SEE GCNL NO. 69, P. 1, 7APR92 FOR PREVIOUS RESULTS).

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YELLOWJACK RESOURCES LTD. (YJK-V)

HOLE NO.	FROM FEET	TO FEET	INTERVAL FEET	COPPER %	GOLD OZ/T	COPPER % EQUIV.
92-41	226-250		426	0.20	0.008	0.44
including	345-570		225	0.29	0.013	0.67
including	403-570		167	0.36	0.014	0.78
including	580-610		30	0.44	0.041	1.67

Gary Kilpatrick, president, Yellowjack Resources Ltd. has reported the assay results from Hole 92-41 which was drilled in the Main Zone of the Katie Claims located near Salmo, B.C. The third hole of a 15,000 foot program, Hole 92-41 was drilled vertically to a depth of 963 feet and encountered the above significant intersections.

Holes 92-40 and 92-41 were the first two holes of a fence pattern drilled in the Main Zone of the Katie claims. These two holes established the presence of a mineralized 370 feet thick, gently dipping blanket of copper-gold mineralization within andesitic volcanics at the contact with underlying variably mineralized diorites.

Further drill holes are planned along the present drill fence and two parallel drill fences to establish the Main Zone's dimensions and geometry. The Main Zone is at least 3,000 feet in length and 1,500 feet in width and is open to the north, west and east. Previous drilling indicates the Main Zone may connect to the West Zone which lies 4,500 feet to the west, where drilling is also planned during the program.

The company currently holds a 49% joint venture interest in the Katie Joint Venture which will increase to 57% on completion of the current exploration program.

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YELLOWJACK RESOURCES LTD. (YJK-V)

HOLE NO.	INTERVAL FEET	LENGTH FEET	COPPER %	GOLD OZ/T	COPPER EQUIV. %
92-39	148 - 413	265	0.25	0.009	0.52
Incl.	256 - 374	118	.36	.010	.66
91-17	523 - 745	222	.32	.009	.59
Incl.	607 - 687	80	.42	.012	.78

KATIE DRILL RESULTS-Gary Kilpatrick, president, Yellow-EXTEND MINERALIZATION Jack Resources reports assays from from drill hole 92-39, the first hole of a 15,000-foot program to test the Katie claims 8 km SW of Salmo, B.C. Amendments to the Salmo joint venture have been completed to enable Yellowjack Resources to become operator on the Katies claims, which have now been designated a separate joint venture. The company has agreed to a formula to be used to increase its interest in the joint venture. On completion of the current exploration program budgeted at \$376,000, Yellowjack's interest will increase from 49% to about 57%. All future work carried out by Yellowjack will further increasing the company's interest.

Hole 92-39 was drilled vertically to a depth of 784 feet to extend mineral in hole 91-17. SEE TABLE ABOVE.

Yellowjack recently resumed exploration to test three copper/gold zones outlined by previous work. They are: 17, Main and West zones. Work on the Main zone will attempt to delineate high grade mineralization encountered in previous drilling. The program on the West zone will test an area of high geophysical and geochemical anomalies and follow up high grade intersections encountered in hole 90-9.

The next stage of the program will be a series of about 10 vertical holes to test the Main zone, a zone of at least 1,000 meters long by 250 meters wide. Yellowjack then intends to drill the West zone and complete additional drilling on the 17 zone. (SEE GCNL No.57, 20Mar92, P. 3 FOR PREVIOUS INFORMATION)

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