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EASTFIELD RESOURCES LTD. [ETF-V]

SPANISH MOUNTAIN PROJECT REVIEW - Glen Garratt, secretary,
Eastfield Resources

reports in the fall of 1992 about 700 tons of gold-bearing quartz vein material was mined and stockpiled at Eastfield's Spanish Mountain property by Renoble Holdings Inc. The 72-unit Spanish Mountain property is located in the Cariboo region of B.C. about seven miles from the town of Likely. Renoble and Eastfield are joint venturing the high grade test mining of the property. Of the 700 tons mined, some 350 tons were shipped to the Premier Mine in Stewart, B.C. and 116 tons to the Bow Mines Ltd. mill in Greenwood, B.C., for custom milling. Due to severe "nugget effect" caused by coarse gold mineralization, on-site or head grade sampling and assaying does not yield reliable results for determining grade and, consequently, only by milling significant amounts of material can the grade be reasonably determined. Metallurgical testing has shown recoveries of gold from this material will be in the 96% to 97% range using available custom

mill facilities. The first shipments made were somewhat diluted by wall rock which reduced the gold grades somewhat. This dilution can be corrected during the 1993 mining by more selective mining procedures and improved storage and loading facilities.

Initial results have been received from the throughput at the Greenwood mill. Samples taken from the concentrates indicate a recovered gold grade of about 0.3 oz/ton. This is considered low due to the dilution described above, inefficiencies in the gravity circuit and the discontinuous operation of the float circuit. Gold grades in the float concentrate increased each day of the operation from about 4.0 oz/ton on day one to 14.9 oz/ton on day four. Gold losses in the milling should be substantially overcome by running larger tonnages and improving the gravity circuit.

Renoble has been notified by Premier their shipment will be milled in the last week of June. Upon receipt of the results of this mill test, a more refined grade determination can be accomplished. It is estimated grades should average 0.4 to 0.6 oz/ton gold, which indicates a profitable shipping ore. When these initial mill tests are completed, the 1993 vein bulk sampling program will be started. It is anticipated the next phase will result in significantly larger shipments and yields.

At present, a crew is at the Spanish Mountain property putting the final touches to a gravity recovery plant that will treat several thousands of yards of placer material stockpiled in 1992. The results of this work will be released after they have been compiled. Should the program continue to yield positive results, Eastfield anticipates modest cash flow by the fall.

Separately, Cogema Resources Inc. have begun an exploration program on the extensive Spanish Mountain property. This program is designed to evaluate the larger tonnage mining potential of the property. Cogema's first phase program will involve geological and structural mapping, geochemical sampling and backhoe trenching. Following this phase, a drill testing program is being planned. (SEE GCNL NO.103, 28May93, P.5 FOR OTHER PROJECT DETAILS)

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