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George Cross News Letter

"Reliable Reporting"

NO.4(1989)
JANUARY 6, 1989

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WESTERN CANADIAN INVESTMENTS

CALPINE RESOURCES INCORPORATED (CLP-V,ALBERTA)

CONSOLIDATED STIKINE SILVER LTD. (CKI-V)

CALPINE TO MAKE AN OFFERING BID FOR CONSOLIDATED STIKINE

Murray Pezim, chairman reports that Calpine Resources intends to offer to exchange 5 shares and 1 share purchase warrant for each 1 share of Consolidated Stikine Silver Ltd. The share purchase warrants will be exercisable within a three year period to purchase an additional share of Calpine at \$2 per share. The formal offer will be mailed to Stikine shareholders within the next ten days and will be open for acceptance until the expiration of 21 days following the date of mailing. The offer will be for 51% of the issued capital of Stikine, although Calpine reserves the right to take up a greater or lesser number of shares tendered.

Calpine intends to hold Stikine shares tendered as a major long term investment. The major asset of both companies is their 50/50 joint venture interest in the Eskay Creek project some 60 miles north of Stewart, B.C. (SEE GCNL No.249, 29Dec88; 248, 28Dec88 and 214, p.2, 4Nov88 for drilling results). New assays on the Eskay Creek project are to be reported in the next few days.

Prime Capital Corporation currently owns 1,500,000 shares of Calpine and intends to exercise its option to purchase an additional 1,500,000 shares. Prior to the exercise of this option, Calpine had 11,500,000 shares issued or about 13,000,000 fully diluted shares issued. Consolidated Stikine has 1,835,000 shares issued or about 2,335,000 fully diluted. There is a warrant outstanding to buy 500,000 shares of Consolidated Stikine at 35¢ each outstanding. If Calpine should acquire 100% of Consolidated Stikine, Calpine would have approximately 25,000,000 shares issued.

PAN ORVANA RESOURCES INC.

EXPLORATION FUNDING RECEIVED - Pan Orvana Resources Inc. of Vancouver, B.C. sold 1,636,364 shares to Rio Algom Limited of Toronto at a price of \$1.10 per share for a total purchase price of \$1,800,000.40. Rio Algom will hold 21.8% of the outstanding shares of Pan Orvana after the conversion of 1,800,000 special warrants previously issued by Pan Orvana to private investors. Under the share purchase agreement dated 30Dec88, Rio Algom has the right to participate in all future equity issues by Pan Orvana in proportion to its beneficial interest in Pan Orvana.

Colin A. Macaulay and R. David Muir, Rio Algom's president and manager corporate development, respectively have been appointed directors of Pan Orvana.

Rio Algom can earn 50% of Pan Orvana's interest in any one or each of Pan Orvana's properties by, at Rio Algom's sole expense, preparing a bankable feasibility study and by placing that property into commercial production. Rio Algom may acquire up to an additional 25% of Pan Orvana's interest in any property by paying up to a 4% net smelter royalty. However, Rio Algom cannot acquire from Pan Orvana more than a 50.1% interest in a property without Pan Orvana's consent.

R.A. Watts, Pan Orvana president said the association with Rio Algom will allow Pan Orvana to emphasize the search for large precious metal deposits and, if Rio Algom elects to fund 100% of feasibility and development costs, to retain a significant interest in each deposit while benefiting from Rio Algom's technical

and financial resources.

Pan Orvana intends to file a prospectus for its initial offering of shares in the spring of 1989.

CANADIAN-UNITED MINERALS, INC. (CUN-V)

GUNNAR EXPLORATIONS LTD (GGG-ALBERTA;GUNRF-NASDAQ)

FIREWEED DRILLING RESULTS REPORTED - Robert Holland,

exploration manager

for Canadian-United Minerals reported assay results for the first 6 holes of 24,000 foot diamond drilling program on the Fireweed property on Babine Lake, near Smithers, B.C. ASSAY RESULTS OVERLEAF PAGE 1. The present program is being funded by Gunnar Explorations Ltd., who can earn a 10% interest in the property by spending \$750,000 in this phase of the program. The property interest is convertible to shares of Canadian-United on the basis of one share for each \$1.50 of exploration spending. Some 18 holes comprising about 10,000 feet were completed prior to the Christmas shutdown. Drilling of another 14,000 feet resumed Jan.4,1989 (SEE GCNL No.222 and 243 for program outline). The results are from a portion of the zone where the strike of the horizon is turning to the south and there is evidence of plunging in that direction as well. All of these holes were drilled in the vicinity of previously reported holes FW88-24 (38.4 ft. of 12.75 oz.silver/t, 1.93% zinc) and FW88-25 (36.1 ft. of 9.24 oz.silver/t, 1.11% zinc).

To date, the West zone mineralization has been tested by 26 holes at roughly 150 foot centers to a depth of 500 feet and along strike for about 1,150 feet. Further assay results are expected shortly. (SEE GCNL NO.167 for a map of the West zone).

Canadian-United has arranged a private placement to raise \$250,000, subject to regulatory approval, by the sale of units priced at 80¢ each. Each unit carries a warrant to buy one share at 95¢.

ICAN MINERALS LTD. (IMI-V)

ASSAYS EXPECTED - Guenter J. Liedtke, president reports that Ican Minerals Ltd. has been receiving assay results from its Racey property in SE Oregon. Complete assay results are expected Jan.9/89. Ten holes (R-21 to R-30) were drilled before the Christmas break. The results so far indicate that the holes will provide similar results to those obtained in the first 16 holes (SEE GCNL No.240, p.2, 14Dec88). The first 30 holes have been drilled in an area 2,000 x 3,000 ft. Drilling will resume with 2 machines on 6Jan89.

CHAPLEAU RESOURCES LTD. (CHI-V)

NEVADA HEAP LEACH PROJECT - Mark D. Best, president has TO BE FURTHER TESTED reported Chapleau Resources Ltd. has acquired an option to buy 50% of 20 claims and 25 mill site claims in the Yellowpine mining division, Nevada, owned by Silver Hill Mines Inc. and K. Mahan, both of Spokane, Washington. To exercise the option Chapleau is to issue 325,000 shares in four installments to capital pay back and spend \$100,000 on exploration.

Located on the claims are the facilities for heap leaching of gold ore. Two 10,000 ton leach pads (one with stockpiled ore), along with settling ponds, carbon towers and lab facilities.

Chapleau intends to complete the leaching of the 10,000 tons already stockpiled. Assays taken from the stockpile indicated existing values of 0.036 oz.gold/ton on the pad. This work should start in February.

CANADIAN-UNITED MINERALS, INC. (CUN-V)
GUNNAR EXPLORATIONS LTD (GGG-ALBERTA;GUNRF-NASDAQ)

HOLE	INTERVAL METERS	WIDTH		SILVER	LEAD	ZINC	0Z.GOLD/T
		M	FT	OZ/TON	%	%	EQUIVALENT
88-33	107.0-118.0	11.0	36.1	0.67	1.23	3.75	--
incl.	109.0-113.0	4.0	13.1	.83	1.51	6.77	0.26
	*125.0-128.0	3.0	9.8	.68	1.48	2.15	--
88-34	* 68.8- 73.4	4.6	15.1	4.26	.40	.84	--
incl.	* 69.6- 72.4	2.8	9.2	5.32	.55	1.12	.13
88-35	*143.0-146.0	3.0	9.8	.74	1.03	1.33	.07
88-36	98.0-100.8	2.8	9.2	11.55	1.39	3.61	.32
	106.0-115.65	9.65	31.7	5.42	.56	1.08	--
incl.	107.0-112.0	5.0	16.4	7.55	.75	1.37	.18
88-37	*145.0-148.0	3.0	9.8	8.27	1.80	2.25	.23
incl.	*146.0-147.0	1.0	3.2	17.67	3.16	3.06	.43
	153.0-154.0	1.0	3.2	11.46	2.65	3.73	.35
88-38	124.0-140.0	16.0	52.5	5.27	1.09	1.75	.16
incl.	127.0-131.0	4.0	13.1	17.04	1.54	2.52	.37

* geochemical analysis only, currently being re-assayed

ADRIAN RESOURCES LTD.
and
SILVERQUEST RESOURCES INC.

SIGNIFICANT TRENCH ASSAYS - HYLAND GOLD PROJECT 1988

<u>TRENCH</u>	<u>WIDTH(ft)</u>	<u>ASSAY GOLD(oz/t)</u>
P-5	16.4	0.065
P-6	16.4	0.064
	16.4	0.074
P-9	16.4	0.083
P-11	50.9	0.067
includes	20.0	0.120
P-12	28.5	0.055
P-13	32.8	0.089
P-13X	13.1	0.116
	36.1	0.060
includes	11.5	0.107
P-23	131.2	0.060
	16.4	0.066
	16.4	0.070
	40.4	0.070
	32.8	0.053
P-25	58.1	0.080
	16.4	0.060
	41.0	0.055
includes	14.8	0.090
P-29	32.8	0.063
P-36	52.5	0.054
	98.4	0.142
includes	65.6	0.191
P-37	9.8	0.090

* interval resampled after trench was deepened

MID-NORTH RESOURCES LIMITED (MDU-V)

GRANGES EXPLORATION LTD. (GXL-T, AMEX, LONDON)

HOLE	LENGTH	OZ. GOLD/T	OZ. SILVER/T	ASSAYS REPORTED
3	6.50 ft	0.120	0.286	D'Arcy Brown, president, reports that Mid-North Resources Limited and Granges Exploration Ltd. have encountered encouraging gold values
6	5.50	.199	4.04	
7	40.94	.118	1.25	
incl.	14.76	.245	2.81	
and	4.92	.518	2.67	
and	6.56	.156	4.03	

 'in the first phase of drilling on the Gurney project 28 miles east of Flin Flon, Manitoba. Mid-North can earn a 40% interest by paying 40% of the \$500,000 in cash payments due by Oct. 22, 1992 and 40% of exploration costs.

Drilling totalled 2,135 ft. in 12 holes and tested 3 showings on a 3 mile grid containing many gold showings including the former Gurney mine, which produced 25,000 oz. gold and 71,000 oz. silver between 1937 and 1939. Additional drilling is planned to delineate these and test many other targets on the property.

CANADIAN-UNITED MINERALS, INC. (CUN-V)

GUNNAR EXPLORATIONS LTD. (GGG-ALBERTA; GUNRF-NASDAQ)

HOLE	INTERVAL		WIDTH		SILVER OZ/TON	LEAD %	ZINC %	OZ. GOLD/T EQUIVALENT
	METERS		M	FT				
88-39	86.3-100.0	90.4	4.1	13.5	12.40	0.81	2.07	0.28
	100.0-101.1		1.1	3.6	3.52	.25	.35	--
88-41	110.8-111.8	118.7	7.9	25.9	18.53	2.26	3.02	.43
incl.	111.8-112.8		1.0	3.3	60.96	8.94	2.80	1.18
and	115.8-118.7		2.9	9.5	20.22	1.93	5.23	.53
88-42	126.4-127.4	137.2	10.8	35.4	11.34	1.35	2.14	.27
incl.	127.4-131.4		4.0	13.1	19.32	2.03	3.69	.46
88-43	153.1-154.1		1.0	3.3	.66	1.20	1.60	.09

FIREWEED DRILLING REPORTED - Robert Holland, exploration manager for Canadian-United Minerals, Inc. reports that assay results have received for the second six holes on the Fireweed silver-base metals drill program at Babine Lake near Smithers, B.C. The present program is being funded by Gunnar Explorations Ltd., who can earn a 10% interest in the property by spending \$750,000 in this phase of the program. The property interest is convertible to shares of Canadian-United on the basis of one share for each \$1.50 of exploration spending. Diamond drill holes FW88-39 to 44 were collared in the West zone (SEE map in GCNL No. 167) to test the southwest and down dip extensions of high grade silver mineralization. Hole FW88-42 was abandoned in the mineralized horizon due to technical problems.

Several of the previously reported assays from the first six holes of the program (SEE GCNL No. 6, p. 1 overleaf, 6Jan89) have been re-assayed, as follows:

HOLE	INTERVAL	WIDTH	SILVER	LEAD	ZINC	OZ. GOLD/T
	METERS	M FT	OZ/TON	%	%	EQUIVALENT
88-33	124.0-128.0	4.0 13.1	0.63	1.38	1.99	0.11
incl.	127.0-128.0	1.0 3.3	1.17	2.53	4.37	.23
88-34	69.6-72.4	2.8 9.2	5.59	.57	1.17	.14
88-37	145.0-148.0	3.0 9.8	8.74	1.98	2.54	.26
incl.	146.0-147.0	1.0 3.3	18.81	3.39	3.54	.47

 Results are currently being reprocessed for the final 6 pre-Christmas holes and will be released shortly. Several of these holes encountered massive sulphide mineralization within a breccia feeder zone. Drilling is on-going with half of the 24,000 foot program remaining to be completed.

STANDARD GOLD MINES LTD. (SDA-V, M)

WEALTH RESOURCES LTD. (WLH-V)

LA FOSSE PROPERTY AGREEMENT - Richard W. Hughes, president, reports that Standard Gold Mines Ltd. has revised the terms of its agreement with Wealth Resources Ltd. whereby the company obtained, subject to regulatory approval, the right to earn up to 50% interest in New Quebec exploration permit #774 in the Retty Lake area, Quebec. The company has agreed to reimburse Wealth for 50% of expenditures incurred on the

property by payment of \$10,000 and to spend \$130,000 to carry out exploration and/or development work on the property by December 31, 1992.

TREND-SET INDUSTRIES INTERNATIONAL INC. (TSS-V)

LICENSING AGREEMENTS - David R. Irwin, secretary reports UNDER NEGOTIATION that Trend-Set International Inc. is negotiating a licensing agreement with Singapore based firm for the rights to several Asian countries. The license would cover both marketing and manufacturing rights with an annual sales quota. Trend-Set has developed a series of mobile mini-factories that produce bricks, blocks, pavingstones, rooftiles and custom masonry products.

The company is also negotiating a license agreement for the marketing rights to the eastern U.S. with a minimum US \$500,000 license fee; and has been approached by various groups to acquire rights to western Canada, Washington State, the Caribbean Basin, Australia and Africa. These proposals are under consideration.

Trend-Set was called for trading on the VSE on 12Dec88 following an initial public offering of 550,000 units at 75¢ per unit, for gross proceeds of \$412,500; each unit consisted of 1 share and 1 warrant, 2 warrants are exercisable to buy 1 share at 75¢ for 1 year.

The company has granted employee stock options to buy 175,000 shares at 50¢ each for two years, subject to regulatory approval.

ARBOR RESOURCES INC. (AOR-V, M)

KANGELD RESOURCES LTD. (KDR-V)

JOINT VENTURE AGREEMENT REPORTED - Richard W. Hughes, president reports that Arbor Resources Inc. has entered into an agreement with Kangeld Resources Ltd. to acquire a 50% interest in 45 mining claims in the Dawson mining district, Yukon. Arbor agreed, subject to regulatory approval, to incur expenditures of \$325,000 for exploration or development work upon the property on or before December 31, 1992.

PACIFIC SENTINEL GOLD CORP. (PSG-V)

MT. MILLIGAN AREA STAKING REPORTED - Robert A. Dickinson, president has reported Pacific Sentinel Gold has staked the Assunta 1-9 claims totalling 7,533 acres, about 11 square miles, adjacent to United Lincoln Resources newly discovered Mt. Milligan copper-gold project 150 miles north of Prince George, B.C. The claims were staked 3.5 miles west of the Mt. Milligan property to cover an airborne magnetic anomaly similar to the magnetic anomaly associated with the Mt. Milligan MBX mineralization. In addition, Noranda's TAS gold project is located 12 miles south of Pacific Sentinel's claims. An exploration plan is being prepared. (SEE MAP PRINTED OVERLEAF P. 2)

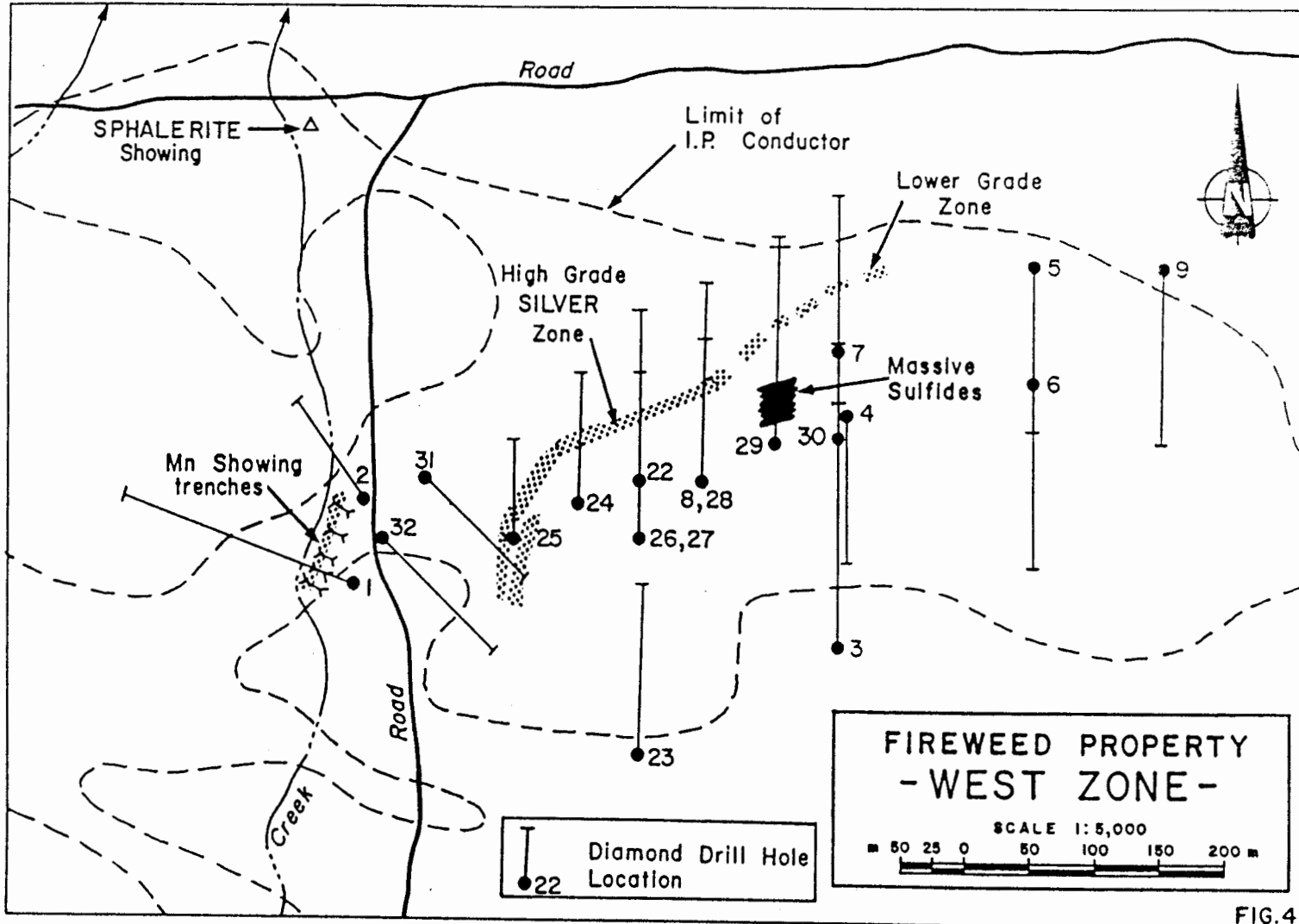
Pacific Sentinel Gold has appointed Robert G. Hunter and Jeffrey P. Franzen, as directors.

ACQUEST ENTERPRISES LTD. (ACQ-V)

EQUIPMENT PURCHASED - George Penner, president reports that Acquest Enterprise has acquired a 6 wheel drive offroad truck, 1 hopper ore bin, a 40 ft. conveyor belt, 1 channel fram stand and a 4 ft. by 35 ft. Trommel. Negotiations of equipment and assembly are on-going to complete a 2,000 ton per day placer processing plant. A full engineering study is nearing completion relating to licensing and operation of the plant on the company's California Mother Lode property, which Acquest intends to put into production this year. Linda Mayer has resigned as a director and Randall S.E. Paterson has been appointed to take her place.

FOR THE RECORD

HANNA PACIFIC STEEL COMPANY LTD. (HPS-V) reports that the field program on the Hilton claim group, Cherryville, B.C. is progressing, with geological mapping rock sampling, gridwork and soil sampling surveys having been performed. Samples have been sent for assay. Previous assays have obtained values up to 4.6 oz. gold/t and 30.6 oz. silver/t. Trenching is beginning in preparation for a planned drill program.



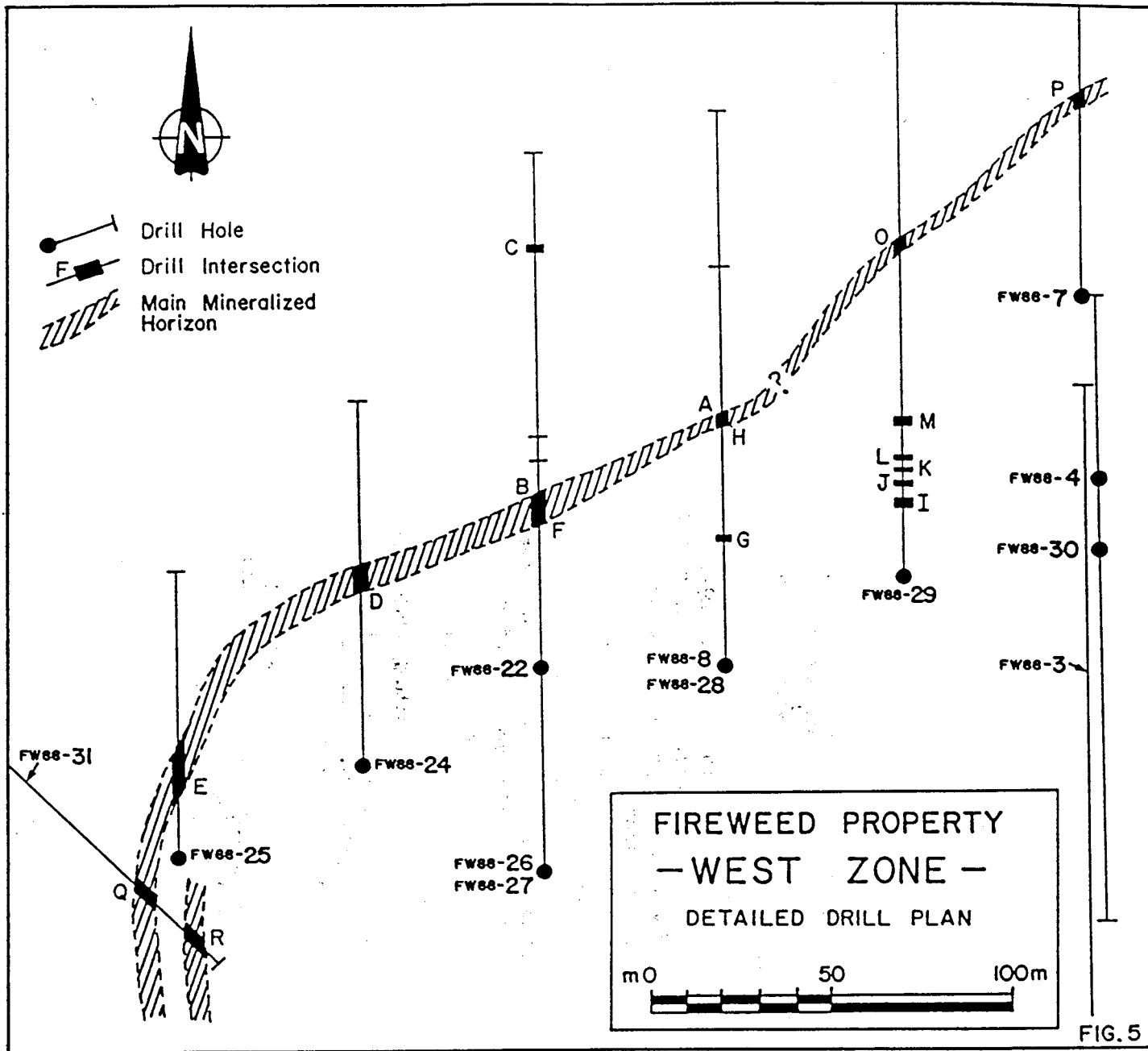


FIG. 5

ASSAY RESULTS

	Hole	Interval(ft)	Width(ft)	AgO ₂ /T	Zn%	Pb%	AuO ₁ /T
A	PW88-8	308.4 - 321.5	13.1	18.89	2.11	1.00	-
B	PW88-22	182.0 - 224.7	42.7	17.17	3.07	1.79	-
C	PW88-22	534.8 - 538.1	3.3	5.53	1.53	1.25	-
D	PW88-24	218.8 - 257.2	38.4	12.95	1.93	0.97	-
E	PW88-25	86.6 - 148.9	62.3	6.04	0.77	0.52	-
	incl.	99.7 - 109.6	9.9	16.33	1.98	1.50	-
F	PW88-26	406.8 - 423.2	16.4	1.69	3.83	4.02	-
G	PW88-28	230.0 - 233.3	3.3	3.76	10.15	4.24	-
H	PW88-28	391.4 - 398.0	6.6	9.26	1.75	0.46	-
I	PW88-29	79.1 - 95.5	16.4	1.96	11.13	1.17	0.009
J	PW88-29	108.9 - 119.7	10.8	4.41	15.50	4.72	0.032
K	PW88-29	132.9 - 136.2	3.3	4.40	21.78	4.36	0.024
L	PW88-29	145.6 - 152.2	6.6	1.55	5.05	1.24	0.030
M	PW88-29	185.4 - 198.5	13.1	4.53	18.82	5.37	0.055
O	PW88-29	416.0 - 421.6	6.6	0.75	2.23	0.86	-
P	PW88-7	242.7 - 249.3	6.6	2.08	-	-	-
Q	PW88-31	371.4 - 404.2	32.8	3.75	-	-	-
	incl.	391.1 - 400.9	9.8	6.49	1.19	-	-
R	PW88-31	456.7 - 492.8	36.1	6.00	-	-	-
	incl.	456.7 - 463.2	6.6	15.79	1.87	2.07	-
	and	479.6 - 486.2	6.6	8.81	0.66	-	-

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NO.163(1988)
AUGUST 24, 1988

"Reliable Reporting"

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WESTERN CANADIAN INVESTMENTS

CANADIAN UNITED MINERALS, INC. (CUN-V)

HOLE NO.	INTERVAL FT.	WIDTH FT.	SILVER OZ./T	ZINC %	LEAD %	COPPER %	GOLD OZ./T
FW88-28	230.0-233.3	3.3	3.76	10.15	4.24	--	--
	391.4-398.0	6.6	9.26	1.75	0.46	--	--
	635.8-652.2	16.4	1.09	2.89	1.51	--	--
FW88-29	66.0- 75.8	9.8	1.18	--	--	0.76	--
	79.1- 95.5	16.4	1.96	11.13	1.17	.27	.009
	including 85.7- 95.5	9.8	2.54	13.83	1.39	.23	.013
	108.9-119.7	10.8	4.41	15.50	4.72	.39	.032
	132.9-136.2	3.3	4.40	21.78	4.36	.18	.024
	145.6-152.2	6.6	1.55	5.05	1.24	.40	.030
	185.4-198.5	13.1	4.53	18.82	5.37	.50	.055
	210.9-214.2	3.3	1.48	2.75	3.26	.06	.004

ASSAYS CONFIRM MASSIVE SULPHIDE ZONE- Twenty-nine diamond drill holes have established a 1,000 foot strike length, and a depth of 550 feet, with widths varying from 3.3 feet to 43 feet of high grade silver with base metal values in the West zone on the Fireweed property on Babine Lake, 50 miles east of Smithers, B.C.

Hole FW88-28 was drilled to test the downward extension of previously reported mineralization encountered in hole FW88-08 which included 13.1 feet of 19.07 oz.silver/ton. All three previously known mineralized horizons were intersected.

Hole FW88-29 was spotted 160 feet east of hole FW88-28 and intersected six massive to near massive sulphide horizons ranging in width from 2.8 to 12.9 feet. Adjacent sulphide stringer zones and veining extend the apparent mineralized widths to up to 33 feet. Individual assays ranged up to 21.78% zinc, to 6.33% lead, to 7.27 oz.silver/t, to 0.86% copper and to 0.068 oz.gold/t. These assays confirm the high grade polymetallic nature of the massive sulphide horizons and add a significant gold dimension to the Fireweed West zone. Previous drilling in the East zone has encountered gold and copper values. The new hole assays provide the first indication of gold and copper in the West zone.

The current drill program totalled 5,000 feet of drilling in nine holes. Assay results are pending from holes FW88-31 and FW88-32. Further exploration programs on the property are being planned. Several other zones on the claims require drilling. Funding proposals are under consideration.

CORONA CORPORATION (ICR.A,ICR.B-V,T,M,AMEX)

SANTE FE MINE- Corona Corporation reported that its **POURS FIRST BAR** 100% owned Sante Fe gold and silver mine near Hawthorne, Nevada has poured its first precious metal bar, which contained about 50 ounces of gold and 450 ounces of silver. The Sante Fe mine is a heap leach operation that is expected to produce about 50,000 ounces of gold and 140,000 ounces of silver annually. About 60,000 tons of ore is currently under leach.

Current proven and probable reserves are expected to be at least 8,500,000 tons with a grade of 0.037 oz.gold/ton and 0.316 oz.silver/t. The mining rate will be 6,000 tons per day with about 2,000,000 tons of ore being processed annually.

Construction began in February of this year and was completed six weeks ahead of schedule. Capital costs to

bring the Sante Fe property into production will be about \$10,500,000, or \$1,600,000 under the original budget of \$12,100,000.

Corona also reported that it has acquired by a private placement agreement 1,100,000 shares of **BREAKWATER RESOURCES LTD.** (BWR-V,T), increasing its position in Breakwater to about 12.9%.

NDU RESOURCES LTD. (NDU-V)

LARGE LOW COST SILVER LEAD ZINC PROJECT NOW BEING DRILLED

INTERVAL FT.	INTERCEPT	LEAD %	ZINC %	OZ.SILVER/T
0 - 14	14 ft.	NO RECOVERY		
14 - 49	35	8.3	6.4	3.6
94 -104	10	12.2	10.3	4.8
134 -179	45	4.0	2.9	2.9
237 -297	60	12.9	4.7	8.7
677 -692	15	2.7	2.7	2.0

Weighted average grade between 14 feet and 297 feet in hole No.88-2, including the lower grade between the better grade intervals is: 283 feet - 5.4% lead, 3.0% zinc, 3.1 oz.silver/t. The germanium assays are awaited. This hole is part of a three hole fan drilled from a single site near the top of a steep mountainside and is the first drilling ever performed on the Blende property, 100% owned by NDU Resources and located 50 miles due north of Keno City, 150 miles NW of Whitehorse, Yukon. Assays from two further holes are awaited.

The Blende property has been enlarged from 15 to 66 mineral claims. The deposit consists of a metallurgically simple assemblage of galena, sphalerite, and minor pyrite with carbonate gangue in wide fracture zones and tabular or pipe-shaped breccia bodies cutting competent dolomite. The dolomite dips gently and is at least 800 feet thick. The mineralized zones, which dip steeply, are mainly exposed on steep cliffs where they are almost impossible to sample, or obscured by talus. The best exposures are on the 5 zone, on which nine hand trenches were dug and blasted in 1984 to give a weighted average grade of 3.6% lead, 4.3% zinc and 2.0 oz.silver/t across 45 feet over a length of 3,000 feet and vertical range of 500 feet. Similar mineralization has been found as float for up to a mile away from the 5 zone. NDU believes that the Blende property has the potential for large, low-cost reserves.

The Blende property is part of the assets of NDU that will be transferred to a new company if Noranda exercises its option on 300,000 NDU shares at \$4.50 per share by 30Nov88. Under the terms of that agreement, as described in GCNL No. 157 16Aug88, shareholders of record as of Nov.30 will receive one-half (1/2) share in the new company for each share of NDU if Noranda exercises its option.

NDU also has drill programs underway on the Hyland gold property near Watson Lake, Yukon, a joint venture with Adrian Resources Ltd. and Silverquest Resources Ltd., and the Nick property, a joint venture with Pak-Man Resources Inc.. Like the Blende and Marg properties, these are targets that were never drilled previously. Linecutting, geophysical and geochemical surveys and sampling are underway on the Mansfield Creek and Chilkat nickel-platinum properties in joint venture with a private corporation

Archer, Cathro & Associates (1981) Ltd. is the field manager of all of NDU's projects.

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NO.167(1988)
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WESTERN CANADIAN INVESTMENTS

WESTERN CANADIAN MINING CORPORATION (WCD-V) SULPHURETS GOLD CORPORATION (SLE-V)

HOLE NO	FROM METER	TO METER	LENGTH METER	COPPER %	GOLD OZ/TON	SILVER OZ/TON
B ZONE						
K88-1	1.5-	9.8	8.3	0.17	0.007	-
	41.1-	78.6	37.5	.18	.003	-
	176.2-	272.8	96.6	.99	.010	-
K88-2	1.5-	93.4	91.9	.28	.006	-
K88-3	1.5-	63.1	61.6	.24	.006	-
K88-11	51.0-	212.8	161.6	1.03	.009	-
including	51.0-	163.9	112.9	1.32	.012	-
1987 RESULTS						
K87-5	10.3-	52.4	42.1	.54	.014	-
	84.0-	94.5	10.5	.42	.002	-
	143.0-	224.0	81.0	.61	.009	-
K87-8	28.4-	115.1	86.7	1.10	.011	-
A ZONE						
K88-4	33.8-	35.2	1.4	0.16	.234	3.12
	89.4-	91.4	2.0	.08	.252	3.85
	126.8-	145.5	18.7	.22	.002	.03
K88-5	100.6-	125.0	24.4	.23	.005	-
K88-6 & K87-13	52.5-	100.7	48.2	.51	.013	.39
K88-8	26.0-	29.6	3.57	1.11	.150	13.07
including	27.0-	29.6	2.57	1.29	.184	17.93
K88-9	43.0-	45.0	2.0		.082	.56
	59.1-	60.1	1.0	.61	.022	2.44

SULPHURETS DRILLS - Western Canadian Mining has reported HOLE ASSAY RESULTS a large area of copper-gold mineralization, suitable for open pit mining techniques, has been defined by prospecting, geo-physical surveys, and drilling on the Kerr property B zone. This zone occurs over a north-south trend distance of 1000 meters, a width of 100 to 300 meters and a vertical distance of 300 meters; the mineralization is open along trend at both the north and south ends of the zone and at depth.

The Kerr project is located in the Sulphurets area, 37 miles north of Stewart, B.C., and is owned by Western Canadian Mining 70%, Sulphurets Gold 25% and CLIFTON RESOURCES LTD. (CLF-V) 5%. Including the drilling in 1985, 1987 and 1988, a total of 5383 meters over 39 drill holes has been completed.

The copper and gold mineralization is contained within a highly altered and sheared package of tuffaceous volcanic rocks (quartz-sericite-schist) including extensive pyrite and the copper minerals chalcopyrite, chalcocite, bornite and minor native copper. Results for drill holes 13 through 22 will be reported when analyses have been received and compiled. (SEE ALSO SURFACE SAMPLE RESULTS GCNL NO. 163, P.2, AUG88).

CANADIAN UNITED MINERALS INC. (CUN-V)

FW 88-31	INTERVAL	WIDTH FT.	SILVER OZ./T	ZINC %	LEAD %	FURTHER ASSAYS FROM
	371.4-404.2	32.8	3.75	--	--	FIREWEED
incl.	391.1-400.9	9.8	6.49	1.19	--	MASSIVE SUL-
	433.7-443.5	9.8	4.30	1.36	0.46	PHIDE PROJECT
	456.7-492.8	36.1	6.00	--	--	Canadian-
incl.	456.7-463.2	6.6	15.79	1.87	2.07	United
and	479.6-486.2	6.6	8.81	0.66	--	Minerals Inc.

has reported assay results for the final two drill holes from the 100% owned Fireweed project at Babine Lake, near

Smithers, B.C. FW88-31 and FW88-32 were drilled to test the southwestern extension of the West zone. Hole FW88-31 represents an 82 foot step out from previous hole FW88-25, which intersected 62 feet of mineralization including 9.9 feet grading 16.33 oz. silver/ton. Three mineralized horizons were encountered in hole FW88-31 within a 132 foot section of weakly mineralized sandstone. This represents a substantial thickening of the mineralized host unit to the southwest. The better assay results from hole FW88-31 are summarized in the table above.

Drill hole FW88-32 did not intersect the host sandstone unit. The West zone mineralized horizon is open to the southwest and to depth. Further drilling is required to delineate the limits. Further testing is required to the east where initial results suggest the continuation to the favorable host horizon. (SEE MAP OVERLEAF).

Further drilling is planned for the East zone where previous drilling intersected gold-copper-zinc bearing massive sulphide mineralization over widths to 140 feet. Magnetic and geological surveys completed elsewhere on the Fireweed property have outlined several new target areas. (SEE GCNL NO.163, 24AUG88, P.1 FOR PREVIOUS RESULTS). Negotiations for funding of further exploration on the Fireweed are proceeding. The company hopes to announce a major exploration commitment in the near future.

GRANGES EXPLORATION LTD. (GXL-T, AMEX, LONDON)

ABERMIN CORPORATION (ABM-V, T)

TARTAN LAKE - Granges Exploration Ltd., operator of the SUIT FILED Tartan Mine, Manitoba, reported that counsel has been instructed to start legal proceedings against Abermin Corporation to collect the unpaid share of costs which currently exceed \$2,000,000. Abermin is joint owner of the Tartan Gold mine, 25 miles northeast of Flin Flon, Manitoba.

Abermin Corporation on 26Aug88 started legal proceedings in the Supreme Court of B.C. against Granges seeking rescission of its joint venture agreement in respect to the Tartan Lake project and recovery of in excess of \$17,000,000 that Abermin has paid, and/or damages. Granges is the operator. Abermin is also claiming damages against Kilborn Engineering (B.C.) Ltd., which prepared the feasibility study on Tartan Lake, and certain other parties.

Abermin has determined that reserves at Tartan Lake are lower than projected; gold production from the mine has been significantly lower than expected, and the operating experience has resulted in capital and production costs greatly in excess of those forecast.

Abermin's continued participation in the joint venture was financed in August, 1987 through a \$15,000,000 debenture. Discussions among Abermin, Granges and the debentureholders with a view to resolving continuing difficulties that could in certain events give rise to a claim of default under the debenture, have to date been unsuccessful.

Abermin is pursuing the development of its other assets.

Granges believes the suit from Abermin is without foundation, and will be fully defended. The proceedings will have no effect on Granges' continuing operation of the Tartan Mine.