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Draft text for George Cross News Letter, 98/10/29

Granite Mountain Project

At the meeting John A. Chapman, P.Eng., reviewed the Company's interest in Cuisson Lake Mines Ltd.'s Granite Lake reserves and the copper discovery potential on the Company's newly staked claims surrounding the Gibraltar Mine. Mr. Chapman is intimately familiar with the Gibraltar mine and the surrounding area having served his eleventh year with Placer Dome Inc. in 1977-78 as Chief Engineer and Acting Manager of the Mine; since 1985 he has served as a consultant to United Gunn on Gibraltar area projects, and in a similar capacity to Oakmont Ventures Ltd. since 1990.

The Gibraltar Mine, located 45 km north of Williams Lake, B.C., mills 40,000 tons per day and has produced some 1.8 billions pounds of copper from 325 million tons of ore since commencing production in March 1972. United Gunn was an early participant in the original Gibraltar discovery in the late 1960's, and still retains a 30% interest in a part of the Granite Lake deposit with Boliden Westmin Limited (70%). Management continues to view the Granite Mountain pluton as having excellent potential for further discovery's, similar to those at Boliden's Gibraltar Mine, that would support continuing and expanded mine operations well into the next millennium. At this time the geological resource is estimated at 600 million tons grading 0.27% copper.

The Company's land position at Granite Mountain includes 9,775 hectares of mineral claims adjacent to ground held by Gibraltar Mine (Boliden Westmin Limited). Prior to staking the claims, United Gunn retained Crest Geological Consultants Limited to complete a comprehensive study of all exploration work conducted in the camp since the early 1960's, and to correlate that data with new LANDSAT and RADARSAT images. The large database was merged into AutoCAD, and colour composite maps were plotted. As a result of that work several targets were identified and staking of the claim blocks commenced during October 1997. Limited reconnaissance silt and outcrop sampling was conducted during the claim staking.

Since commencing the Granite Mountain Exploration Program on May 4, 1998, 160 kilometres of survey lines have been established on six separate grids. All of the grids have been soil sampled geologically mapped, prospected and geophysically surveyed (magnetics, VLF-EM), resulting in the discovery of two areas containing significant copper mineralization. The first area is known as the Bysouth Showing and is located 8.5 kilometres north of the Gibraltar plant site. The second area is known as the Rick Showing which is located 1.5 kilometres northwest of the Gibraltar plant. In the same area as the Rick Showing and approximately two kilometres northwest of the Gibraltar plant is a copper-in-soils anomaly some 1.2 kilometres long, trending north to northwest, and some 800 metres wide.

The Bysouth Showing is a 100 metre to 150 metre wide series of fault panels consisting of brecciated quartz diorite, quartz, quartz-feldspar porphyry and skarn fragments which are set in a quartz-limonite matrix. Mineralization consists of disseminated and stringer chalcopyrite and locally molybdenite. Grab samples of the brecciated quartz contain up to 4.9% copper. The northwesterly trending fault structure, which is in terrain containing extensive glacial cover, can be

traced along strike as a lineament for some 1.6 kilometres, the extent of the grid area, and remains open to the northwest.

The Rick Showing is a mineralized surface showing of foliated chlorite-sericite schist, similar to rocks which host the Gibraltar deposits. Mineralization consists of disseminated and stringer chalcopryite and sphalerite. Surface samples contain up to 1.5% copper and 1.1% zinc. Lateral extent of the mineralization is unknown due to overburden cover. The Showing is located at the northern boundary of Gibraltar's mineral claims covering the Gibraltar West and Gibraltar West Extension (formerly Gibraltar North) deposits. Reference George Cross News Letter No. 36 (1993).

In September, reconnaissance prospecting on the Company's new claims has also resulted in a third discovery, the Chris Showing, located 4 Km northeast of the Gibraltar plant. Surface sampling of sericite-chlorite schist over an 150 metres by 45 metres yielded a grade of 0.23% copper.

Twenty five kilometres of induced polarization surveying has just been completed over the Bysouth and Rick Showings. The Company is awaiting the final report, but preliminary field results indicates that the IP supports the surface mineralization features. The Company plans to follow up on the Bysouth and Rick showings in early 1999 with drilling along with continued mapping and sampling of the Chris Showing and some prospective areas on the Copper King claim block.

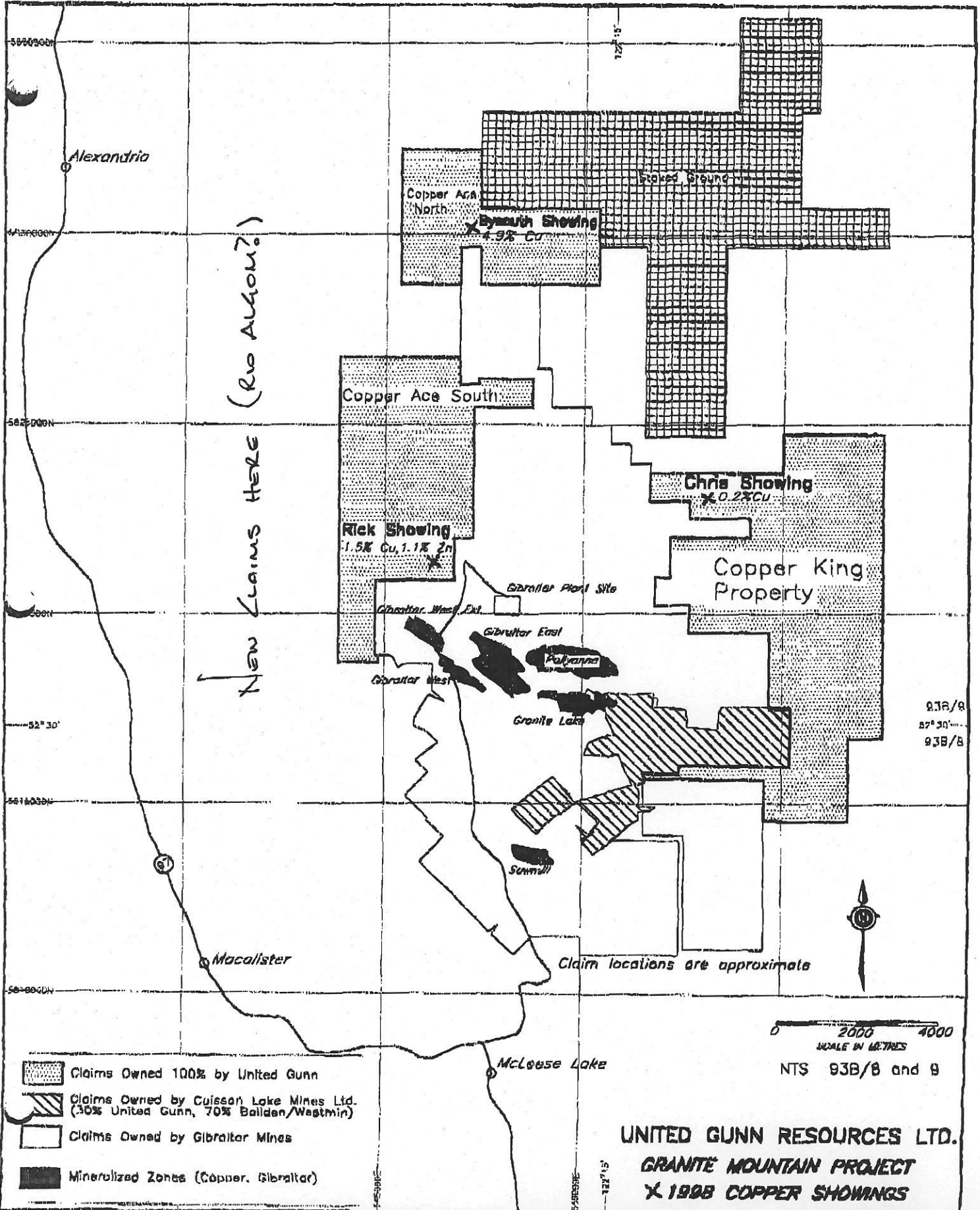
Craig Payne, P.Geo., of Crest Geological Consultants Limited has designed and implemented the program with support from John Chapman, P.Eng. and Gary Bysouth, Consulting Geologist. The team is cooperating with Gibraltar mine staff in sharing of exploration data, in order to mutually enhance potential for mineral deposit discovery.

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CREST GEOLOGICAL

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New Claims here (Rio Algom?)

Claim locations are approximate

0 2000 4000  
SCALE IN METRES  
NTS 93B/8 and 9

UNITED GUNN RESOURCES LTD.  
GRANITE MOUNTAIN PROJECT  
X 1998 COPPER SHOWINGS