

George Cross News Letter

"Reliable Reporting"

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ENERGEX MINERALS LTD.

HOLE	WIDTH, FT	OZ. GOLD/T	INITIAL TOODOGGONE DRILL RESULTS
A87-01	11.6	0.23	AND TWO FINANCINGS ARE ANNOUNCED
A87-02	8.7	0.17	A.O. Birkeland, president
A87-03	5.0	0.15	of Energex Minerals Ltd., ann-
A87-04	5.8	0.28	ounces initial results from the
A87-05	6.5	0.44	A1 project, part of their large
A87-07	6.4	0.19	claim holdings in the active
A87-08	18.3	0.21	Toodoggone River gold camp, 200
A87-09	14.7	0.11	miles north of Smithers, B.C.
A87-10	11.9	0.24	Drilling started on June
A87-11	31.0	0.18	17, 1987 as part of an expanded
Includes	5.0	0.59	exploration program to include

up to 25,000 feet of diamond drilling designed to test the property's potential and add to the project's reserves which stand at 1,000,000 tons in the proven, probable and possible categories, grading 0.20 oz.gold/ton, uncut, undiluted.

On the Bonanza deposit, 1,465 feet of drilling in 11 holes have been completed. This phase of development drilling was targeted to place additional reserves into the proven category. See table for best results to date.

Mr Birkeland says additional development drilling is underway on the Bonanza deposit. The program is designed to develop an open-pittable block of reserves along 1,150 feet of strike to a depth of 130 feet. Averaged width of mineralization logged to date is about 30 feet. The tonnage defined by a block of these dimensions is 400,000 tons.

A subsequent phase of widely spaced, exploratory drill holes is planned to test the Bonanza structures at depth and along strike where there appears to be excellent potential to encounter significant tonnages of high grade gold mineralization.

Subject to regulatory approval, Energex has reached an agreement whereby CMP 1987 Oil & Gas Partnership and Company, Limited will provide \$1,000,000 toward Energex's 1987 exploration program on their Toodoggone property by way of a private placement purchase of some 666,000 common shares of Energex at about \$1.50 each at a premium over the closing price on Toronto Stock Exchange on 16 July 87.

Mr. Birkeland also reports that a form of agreement has been settled with Laurence Prust & Co. Ltd., members of The Stock Exchange, London, for a private placement to be effected with institutional investors in England. The agreement calls for the issue of 3,200,000 units at \$1.20 per unit comprising 1 common share and one 1 warrant exercisable for 9 months from closing the transaction to buy 1 share for \$1.43. These funds will be used for this year's expanded exploration at the A1 project in the Toodoggone and will enable Energex to advance the project to feasibility level over the next 9 months with funds available for the required permitting, design engineering, route selection, final feasibility and working capital contingencies.

RICH COAST SULPHUR LTD. (RCS-V)

THREE PROJECTS REVIEWED - Rich Coast Sulphur Ltd. has completed negotiations for the transfer of 4 claims in the Skeena Mining Division, B.C., to Grey Silver Mines Ltd. releasing Rich Coast from all obligations.

Rich Coast has also terminated negotiations with Ramm Ventures Corp., toward acquisition of an interest in a sulphur deposit in the Baja Peninsula, Mexico.

Rich Coast is continuing negotiations with the Korean business group respecting a possible joint venture on the Congora sulphur property located in Costa Rica.

DEVELCON ELECTRONICS LTD.

9 MONTHS ENDED MAY 31	1987	1986
Sales	\$14,022,000	\$12,022,000
Net Loss	4,336,000	4,929,000
Loss Per Share	\$1.18	\$1.34

ATNA RESOURCES LTD. (ATN-V)

NEW CLAIMS STAKED IN - Atna Resources Ltd., as operator NECHAKO JOINT VENTURE of the Nechako regional exploration program, with its joint venture partners, Interaction Resources Ltd. (20%) and Imperial Metals Corporation (60%), announce the staking of 3 new properties - the WATER, WATER TOO & POP claims.

These claims were staked to cover areas of favorable geology and/or anomalous gold samples in the Nechako area of west-central B.C. The 15 - unit WATER claim covers an exposure of vuggy, irregular rocks. The 20 - unit WATER TOO claim was located to cover an area of quartz, carbonate, galena and chalcopryrite mineralization identified in float. The 20 - unit POP claim covers an extensively pyritized explosion breccia with anomalous gold, mercury and zinc geochemistry. Anomalous gold values include 140, 240 and 660 ppb. Atna will conduct follow-up programs to further assess the claims.

Atna's joint venture partner, Imperial Metals, has commenced follow-up work on the BOSS and BRUCE claims located in central B.C. The claims were staked by Atna as a result of 1986 reconnaissance work under the Nechako Joint Venture Agreement.

MENIKA MINING LTD. (MML-V)

DRILLING RESUMED - Menika Mining Ltd. has reported drilling has resumed on the 100% owned Reliance property, located eight kilometers east of Goldbridge, eleven kilometers north of Bralorne, B.C.

The drill has been moved to test the Crown zone, one of two wide zones recently uncovered by the road cut. The Crown zone at approximately 3,300 feet altitude consists of a very large quartz carbonate exposure with heavy limonitic zone and stibnite. Grab samples from this zone assayed 1.3 oz. gold/t.

The Eagle zone at approximately 4,000 feet altitude consists of a very large heavy limonitic zone with stibnite for approximately 150 feet. A geological survey and mapping are underway.

On the Vidette 98-unit group north of Savona, B.C., drilling has cut 60 feet of shear zone with quartz and carbonate with visible fine disseminated sulphide. This one third owned property has a large gold geochemical anomaly of 2,700 feet by 450 feet. Assays are awaited.

BIG I DEVELOPMENTS LTD. (BID-V)

GOLD PROSPECT IN ISKUT RIVER - Big I Developments Ltd. AREA, B.C. IS BEING ACQUIRED has entered into a letter of intent with the Zara Gold Syndicate (Dan Davis and 265102 British Columbia) to acquire two 20-unit claims in the Iskut River area 52 miles north of Stewart, B.C. President James E. MacLeod points out that the claims are in favorable geology and are situated 8 km south of the Skyline property.

The consideration to be received by Zara would be \$25,000 and 100,000 shares of Big I. The acquisition would be subject to a 3% net smelter royalty.

Vanguard II Mining Exploration Limited Partnership has committed to provide \$1,500,000 to Big I for Canadian exploration expense, \$500,000 in 1987 and \$1,000,000 in 1988.