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George Cross News Letter

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ANGLO SWISS RESOURCES INC.

[ASW-M, ASWC-OTC BB] APPROX. 37,300,000 SHS.
NEW BC SAPPHIRE DISCOVERY - Len Danard, president, Anglo
Swiss Resources Inc., reports
the discovery of a new sapphire showing on the 100% owned Blu
Starr Sapphire property, located in the Slocan Valley, about 30 miles
west of Nelson, southeast BC.

This new zone, named Sapphire Hill, was discovered by James
Laird, Anglo's exploration manager. Sapphire Hill, although located
in the vicinity of the company's Blu Moon sapphire showing, has a
geological occurrence which more closely resembles the Blu Starr
showing, located 2,000 metres, across the valley floor. The
sapphire-bearing zone, exposed in rock outcroppings and talus,
stretches for more than 400 metres in length and 50 metres in
elevation, and is open to expansion in all directions.

Hand processing by Anglo Swiss personnel yielded more than
6,000 carats of sapphire crystals from a single 20-kilogram talus
boulder removed from the centre of this mineralized area. The well-
formed tabular, hexagonal crystals vary from bronze to grey-blue in
colour, and a few rare sky-blue crystals have been found. The
crystals are generally free of feldspar and mica inclusions and display
strong asterism (stars). The sapphire crystals are being cleaned and
prepared for shipment to Sri Lanka for heat-treatment to optimize
their colour and clarity.

The Sapphire Hill showing has a surface area about twice the

size of the Blu Starr's, thereby more than tripling the company's
total potential sapphire resource. The new showing, a forested area
of moderate topography with good road access, is ideally situated for
exploration. Intensive prospecting, geological grid mapping and
hand-trenching are in progress, with permits being obtained to allow
an expanded work program.

Anglo Swiss has received the results from the first small sample
of garnets sent to Sri Lanka for faceting. Although these were only
small stones from the exposed surface of the outcrop, Anglo reports
35 (46%) stones were successfully faceted. Management is awaiting
for the return of a second parcel of garnets from another cutting
facility to compare the quality, cost, and gem grade percentages of
the two facilities. Further quantities are being prepared for shipment
once this evaluation has been concluded. To date, the company has
extracted in excess of 250,000 carats of rough garnet from this
gemstone discovery.

Anglo Swiss has informed the Montreal Exchange of its
intention to obtain a private placement of up to \$1,500,000 at 50¢
per unit for a total of 3,000,000 units. Each unit will consist of two
shares, one flow-through share, plus one non-flow through share and
one warrant. Each warrant is good to buy one share at 30¢ for one
year, subject to regulatory approval. (SEE GCNL NO.177,
15Sept98, P.2 FOR PREVIOUS SAPPHIRE PROJECT
INFORMATION)

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