

# George Cross News Letter

"Reliable Reporting"

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## COVE ENERGY CORPORATION(COV-V)

**FLOW THROUGH FUNDING CONFIRMED** - Cove Energy Corporation has reported confirmation of the flow-through private placement of 746,268 shares at \$1.34 each for \$1,000,000 with First Exploration Corp. Crews have completed approximately two-thirds of the road construction at the Alpine gold mine, 12 miles north of Nelson, B.C. The road will provide access to a stockpile of nearly 25,000 tons from which the company expects to recover 10,000 ounces of gold. Surface exploration has traced a parallel vein structure for more than 4,000 feet from the Alpine workings with selective grab samples assaying from 0.023 to 0.788 oz./gold per ton.

## ALGO RESOURCES LIMITED(AGO-V)

**INTEREST IN ADAMS LAKE** - Algo Resources has increased its **GOLD PROJECT INCREASED** interest in the Adams Lake gold prospect, 40 miles NE of Kamloops, B.C., to 77.32%. Algo has advised regulatory authorities & its joint venture partner, Rialto Silver Resources Inc. a private B.C. company, that it is invoking terms of the agreement diluting Rialto's former interest as a result of not meeting cash calls for exploration expenses.

Assays are awaited from five holes recently completed in to a newly located coincident induced polarization and geochemical anomalous area overlying a fault zone in quartz feldspar porphyry outcrop carrying anomalous gold, silver, lead, zinc and copper in surface sampling.

## GULF INTERNATIONAL MINERALS LTD.(GIM-V)

**FIRST HOLE YIELDS** - R.E.Davis, president of Gulf

**RICH GOLD VALUES** International Minerals Ltd., reports encouraging exploration results from their wholly-owned McLymont claims in the Iskut River area of NW B.C. on which Falcon Drilling Ltd. of Prince George is currently drilling.

To date, assays from one hole have been received which returned 9 feet of 1.28 ounces of gold and 4 feet of 0.28 oz./gold/t. Further detail of this and other holes will be released when received.

## HUNTINGTON RESOURCES INC.(HUN-V)

HOLE	DIP	INTERVAL, FT.	FOOTAGE	OZ.GOLD/T
87-29	48d	137.8 - 155.0	17.2	0.737
		170.9 - 178.0	7.1	0.274
87-30	74d	263.0 - 273.0	10.0	0.144
		296.0 - 301.5	5.5	0.127
		311.9 - 329.0	17.1	0.092

**MORE GOOD GOLD VALUES CUT** - Diamond drilling on the **IN DRILLING NEAR VERNON** Brett claims near Vernon,

B.C., has encountered additional gold mineralization. The latest results are from DDH 87-30 and are between 100 and 200 feet vertically below those in DDH 87-29.

The gold values in DDH 87-30 from 296 to 329 feet are associated with a flat lying tuff horizon at least 60 feet thick. This tuff is considered a favorable host to gold mineralization adjacent to the Main Shear zone. Current drilling will continue to test this and other favorable targets to the south.

## QUEENSTAKE RESOURCES LTD.(QTR-T)

GOLD PRODUCTION	1987	1986
	To August 31	Full Season
<u>Yukon Placers</u>		
Black Hills Creek	959 Troy oz.	2,460 Troy oz.
Maisy May Creek	1,546	2,105
Clear Creek	571	1,136
Preido Hill (ended 1987)	0	430
<u>B.C. Placers</u>		
Moyle River	713	182
Pine Creek/O'Donnel River	2,813	62
Total Gold Production	6,602	6,375

**RECORD PLACER GOLD** - For the partial mining season to **PRODUCTION ACHIEVED** 31Aug87, Queenstake Resources' production of placer gold in B.C. and the Yukon Territory has exceeded Queenstake's annual gold production for each of the prior 3 years. A property-by-property comparison of gold production for the first 60% of the 1987 placer season with production for the entire 1986 season is shown in the table. The placer mining season varies from property to property but is, on average, from early June to late October.