

George Cross News Letter

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ENERGEX MINERALS LTD. (EGX-V,T,EGEXF-Nasdaq)

TOODOGGONE DRILLING RETURNS - Energex Minerals Ltd. has **SIGNIFICANT GOLD VALUES** reported additional assays from development drilling at the Bonanza deposit, Toogoggone gold district of northeastern B.C.

The Bonanza structures have been trenched and drilled over a strike length in excess of 1,000 feet. Trenching has located possible extensions of the Bonanza system to the north and south. Results from drilling to the south include:

HOLE	FROM ft	TO ft	WIDTH ft (m)	GOLD OZ./TON
A87-71	59.0	68.8	9.8 (3.00)	0.12
and	83.0	92.5	9.5 (2.90)	0.13
A87-73	60.9	65.0	4.1 (1.23)	0.12
and	83.4	117.8	34.4 (10.50)	0.12
including	106.3	115.8	9.5 (2.90)	0.23

To the north and south the structure appears to be a less complex steeply dipping vein system. The structure to the north will be drilled along 400 feet of strike length after drilling in the high-grade Bonanza-Ghost convergence is complete.

In the central Bonanza structure at the convergence with the Ghost system, extensive drilling has delineated a gently southwest dipping sheet of massive silicification ranging up to 50 feet true thickness which has been tested from surface to a vertical depth of 200 feet. This area has been drilled along 325 feet by a series of drill fences across section lines up to 350 feet wide. New results from this area include:

HOLE	FROM ft	TO ft	WIDTH ft (m)	GOLD OZ./TON
A87-76	58.6	65.6	7.0 (2.14)	0.15
and	109.9	121.7	11.8 (3.60)	0.12
A87-77	227.0	237.0	10.0 (3.05)	0.12
A87-79	86.2	92.7	6.5 (2.00)	0.12
and	192.9	210.3	17.4 (5.29)	0.11
A87-80	93.8	116.8	23.0 (7.00)	0.11

Recent trenching has discovered a north striking heavily mineralized sulfide zone parallel to the Bonanza structure and approximately 200 feet to the west. Trenching has exposed silicified material over widths up to 75 feet. The newly discovered zone is of considerable economic significance because its location would allow inclusion in the projected Bonanza open pit. Surface grab samples have returned encouraging assay results. This zone will be drill tested after drilling is completed on the north Bonanza extension.

LECTUS DEVELOPMENTS LTD. (LDV-V)

DRILL HOLE	LENGTH		OZ. GOLD/T	COPPER %
	INTERVAL	METER		
16.20 - 20.13	3.73 m.	11.2 ft.	.303	
Including	.63	2.8	1.302	
Previously Reported				
7.55 - 7.95	.4	1.3	.228	.54
16.73 - 17.30	.57	1.9	.201	1.44

Lectus Developments Ltd. director S.R. Ford, P.Eng. has reported assays from a drill hole on the Great Western property 8 miles south of Nelson, B.C. where the company's interests range from 51% to 100%. Further assay results are awaited.

OSSA RESOURCES INC. (OSA-V)

GREENWOOD EXPLORATION PROGRAM - Ossa Resources Inc. has exploration underway on the SET claims four km south of the former producing Phoenix open pit copper mine near Greenwood, B.C.

The program is to delineate potential vein or skarn gold bearing zones located in the 1966 prospecting program. Skarn mineralization returned up to 0.182 oz. gold/tonne. A quartz vein sampled over a 120 meter strike length returned assays of up to 1.611 oz. gold/tonne.

In 1987, approximately \$30,000 has been spent on detailed exploration work and trenching. Additional exploration would include I.P. surveys preparatory to a second stage of test diamond drilling.

INTERACTION RESOURCES LTD. (INR-V)

NEW PROPERTIES STAKED - Interaction Resources Ltd. (20%) with joint venture partners Imperial Metals Corporation (60%) and Atha Resources Ltd. (20%) in the Nechako Joint Venture have staked two new properties in the Nechako, B.C. area based on data from a recent government geochemical release.

The Henkle 1-10 claims were staked to cover an area of anomalous gold, silver and fluorine on the extension of a significant mineralized structure in Ootsa Lake volcanics. The second claim block, consisting of 12 claims, was staked to cover an area of volcanic rocks anomalously high in silver.

The properties will be subject to further evaluation.

ROYAL SCOT RESOURCES LTD. (RST-V)

UNDERGROUND EXPLORATION UNDERWAY - Donald A. McLeod, president has reported a \$300,000 exploration program is underway on the Summit Lake, gold mine of Royal Scot Resources Ltd. formerly named Scottie Gold Mines Ltd. Summit Lake is 30 km north of Stewart, B.C. The recently completed financial restructuring converted the majority of the company's debts to equity. A partnership agreement entered, if closed, will net Royal Scot \$2,000,000 Canadian.

When the mining operation was suspended ore reserves were 132,000 tons grading 0.56 oz. gold per ton. The current 6,500 foot, 18 hole underground diamond drilling program is designed to test this area where additional reserves may be developed. If reserves are expanded a resumption of production in 18 months is planned. The 200 ton per day gold recovery concentrator has been well maintained.

ROYAL CRYSTAL RESOURCES LTD. (RCY-V)

CAMBOURNE-LARDEAU AREA-Royal Crystal Resources Ltd. 50% EXPLORATION UNDERWAY and **BARKHOR RESOURCES**

INC. (BHO-V) 50% have completed Stage I exploration of the Hawk Project located in the Trout Lake area, southeast of Revelstoke, B.C.

The work has identified the primary target as the Excise-Mohawk-Moscow vein system; the secondary targets are strong soil geochemical anomalies identified by Westmin in 1981. The Excise-Mohawk-Moscow vein has been traced on surface for approximately 800 m and is open along strike both to the north and south. This zone consists of quartz and carbonate veining containing gold, silver and base metal sulfides. Samples collected from mineralization at the Mohawk working contained grades between 0.1 and 0.76 oz. gold/t with 3-5 oz. silver/t across widths of up to 3m.

Several recent wide space shallow holes have been drilled all of which intersected mineralization. Additional work is planned.

FARGO RESOURCES LIMITED (FR-V)

FUNDS RAISED TO CONTINUE RESEARCH - Fargo Resources ON KAOLIN FOR PAPER MAKING Limited has received notice of approval of a private placement of 400,000 units at \$1 each to net \$400,000. A non-transferable warrant to buy 200,000 shares at \$1.25 until 17Mar88 and another 200,000 shares at \$1.75 until 17Aug88 is attached.

Lauch F. Farris president reported that on the 100% owned Lang Bay property 30 miles north of Vancouver, B.C., a 24 hole drill program has started to explore for extension of the known economic kaolin deposit. After analysis of the drill results, a development drilling program will be continued in order to delineate mineable reserves for a production feasibility study.

Samples of Lang Bay kaolin were processed to make paper on a laboratory scale paper making machine at the research facilities of MacMillan Bloedel in Vancouver. The paper was then tested for brightness, opacity, gloss, printability and other pertinent paper specifications. The conclusion reached by MBR's technicians was that Fargo's Lang Bay kaolin shows promise as a mineral filler in the manufacture of paper. The kaolin samples used in the testwork had a crude brightness factor ranging between 62% and a 69% and contained 2.7% iron contamination. Since that time, the brightness has been increased to 77.2% and the iron contamination reduced to approximately 1%. This improvement has been achieved without complex and costly beneficiation.

The standard filler grade kaolin from the state of Georgia, U.S.A. has a brightness of 80% and Fargo's objective is to reach this specification. The work is underway at U.B.C. and in the laboratory of one of the largest producers of kaolin in Georgia. The U.B.C. work is expected to be completed 15Sept87.

Mr. Farris said a draft of a conceptual engineering study has been completed showing a positive cash flow.

FREEMONT GOLD CORPORATION (FGC-V)

DOMO MT. PROGRAM UNDERWAY - Freemont Gold Corporation started a \$550,000

Exploration Program on the Dome Mountain property near Smithers, B.C. The work will consist of geological evaluation, line cutting, geochemical surveying, geological mapping, trenching and approximately 3,000 feet of diamond drilling to be completed prior to October 31, 1987. A letter of intent provides Teeshin the opportunity to earn a 50% interest in the Dome Mountain property from Freemont by issuing free trading stock of Teeshin for a value of \$150,000 to Freemont and providing an additional \$150,000 for exploration over a 24-month period.

The geophysical work is in progress on the Freemont property at Toguait Bay on west coast of Vancouver Island. The total work program will be \$400,000. Diamond drilling is planned for the south end of the Lucky vein where a previous assay returned a 9.96 oz. of gold per ton across 6 inches.

► Property Locations

