

George Cross News Letter

NO. 77 (1988)
APRIL 21, 1988

MFC MINING FINANCE CORPORATION (MFM-V,T) BROHM RESOURCES INC. (BRH-V,T)

MFC AND BROHM TO AMALGAMATE - The directors of MFC Mining Finance and Brohm Resources propose an amalgamation; the new company would be called MINVEN GOLD CORPORATION. Shareholders of MFC would receive 1 share of MinVen for each 1.5 MFC shares. Shareholders of Brohm would receive 1 share of MinVen for each Brohm share. Shareholders of both companies will be asked to approve the amalgamation at meetings to be held on 29 May 88 in Vancouver.

If the amalgamation is completed, MinVen, directly and through subsidiaries, will own the following assets: 50.3% of BLACKDOME MINING CORPORATION, a public company that owns and operates the Blackdome mine near Clinton, B.C. (which was shut down by a strike on 20 Apr 88); 10% of the Gilt Edge project, a gold mine under development near Deadwood, South Dakota; 50% interest in the Stibnite gold mine near Yellow Pine, Idaho; 25% interest in the Cactus Gold Mines Company, which operates a gold mine near Lancaster, California.

CREAM SILVER MINES LTD. (CEM-V)

PROGRESS AT BUTTLE - Cream Silver Mines Ltd. has LAKE IS REVIEWED completed Phase I of its 1988 exploration diamond drilling program on their Buttle Lake property on Vancouver Island, B.C. Four holes totalling 7,098 feet were drilled to test 2 deep geophysical anomalies. President Frank A. Lang points out that Cream's current "Resource Use Permit" restricts drilling to these lower priority targets.

All of the holes intersected low grade stratiform mineralization, with grade and favorable geology increasing to the east. The best results came from a 3.5-foot rhyolite horizon that ran 0.43 oz. silver/ton, 0.35% copper and 0.33% zinc. Other thicker rhyolite bands gave slightly lower results.

Following the current governmental reviews on mineral exploration in Recreation Areas and providing authority is granted, Cream Silver will apply for an additional permit to allow diamond drilling of the top priority geophysical target southeast of the drill holes completed to date. Also, additional drill hole locations east of the completed holes will be requested to follow up the encouraging geology and mineralization outlined above.

Mr. Lang comments that the company is concerned with the environment and cooperates fully with all regulatory authorities. Before receiving its most recent drilling permit, it agreed to 60 specific conditions for environmental protection, preservation of timber, access preparation, drill site clearing, reclamation and many others. In addition, a bond of \$50,000 was posted to ensure the reclamation of the 5 drill sites which, in total, occupied less than half an acre. There are over 570,000 acres in the park and recreation areas. The area within which Cream has been working was burned by a forest fire about 30 years ago. The company's 106 mineral claims cover some 5,300 acres within the recreation area and are adjacent to the 4,400-ton per day producing mine of Westmin Resources.