

George Cross News Letter

NO.83(1988)
APRIL 29, 1988

ENERGEX MINERALS LTD. (EGX-V,T)

HEAP LEACH TEST ENCOURAGING - Energex Minerals Ltd. has reported that four column tests on samples grading 0.06 to 0.24 oz.gold/t returned 70% gold recovery in 48 days, with 2 pounds of cyanide consumption per ton. These tests indicate that excellent recoveries can be projected for the A1 deposit using heap leaching methods. Preliminary economic evaluation indicates annual gold production can be increased 50% and operating costs per ounce reduced by combining seasonal heap leaching of low grade ores with conventional milling of high grade ore. The A1 project is in the Toodoggone area, 200 miles north of Smithers, B.C.

Energex is completing a feasibility study on the in situ reserves in all categories of 1,908,000 tons grading 0.16 oz.gold/ton. A production decision is pending. See also GCNL 61(88) p.1.

TRI GOLD INDUSTRIES INC. (TGU-V)

Tri Gold and Esso Minerals Canada have agreed that Esso will be the operator of the 1988 exploration program on the Indian property in the Stewart, B.C., gold camp adjoining Westmin Resources' Premier and Big Missouri properties. The program includes additional I.P. surveys, trenching and drilling.

SOUTHERN GOLD RESOURCES LTD.

<u>YEAR ENDED 31 DECEMBER</u>	<u>1987</u>	<u>1986</u>	
Oil & Gas Revenues	\$ 336,067	\$	' Southern Gold
Processing Revenue	77,509		' Resources Ltd.
Interest Income	29,865	2,788	' will hold its
Securities Sale Gain	1,188,403	80,200	' annual meeting
Management Fees	<u>215,353</u>		' on 11May88 at
Total Revenues	1,847,197	82,988	' 4:00 p.m. in
Expenses	931,259	74,966	' Suite 220,
Cash Flow	1,259,453	(49,109)	' Quayside Plaza
Net Income	774,426	10,550	' 145 Chadwick
Per Share	37¢	2¢	' Court, North
Shares Issued	2,232,458	1,962,458	' Vancouver.

-----' The company is preparing a prospectus for its first public offering. Directors are Alan C. Savage, president, Stephen P. Quin, Terence Rochfort, David Alsop, Ian Robertson and Manfred Binder. The sale of securities in the table above was from the company's holding in Geddes Resources Ltd.

Southern Resources' major expenditures in 1988 are \$500,000 to earn 5% in a 25 to 30-well program in Alberta; the first 7 wells were completed as oil wells. Southern Resources holds a 25% interest in CanaMin Resources, which will soon own a 300-ton per day silver-gold-quartz flux mine in Arizona, and is a joint venture partner with Southern Gold on two B.C. mineral properties. Excluding CanaMin's interest, Southern Gold has 50% interest in the Rocher Deboule precious metal and copper prospect 10 km south of Hazelton, B.C.; 22.5% interest in the Mad property, a gold target 43 km north of Lillooet, B.C.; an option from Hallmark Resources to earn 51% in the Cronin mine lead-zinc-silver target 28 km NE of Smithers, B.C.; and an option to earn 50% working interest in the Paymaster open pit, heap leach precious metals prospect 20 km north of Gabbs, Nevada.