George Cross News Letter

NO.159(1988) AUGUST 18, 1988

SEA GOLD CONSOLIDATED CORP. (CDE-V)

EARLY START TO ISKUT- Diamond drilling is scheduled DIAMOND DRILLING PLANNED to start by the end of August on the Iskut River areasclaims of Consolidated Sea Gold. The majority of the claims adjoin to the west those of Gulf International Minerals Ltd.'s <u>McLymont claims</u>. (See Property Location MAP OVERLEAF).

Recent exploration work has included further sampling and trenching on several mineralized gold zones identified during the 1987 season. Exploration activity is being concentrated on the Southwest, Southeast and Northeast zones. Previous work conducted by Newmont Mining Corporation on the Ken Showing in 1972 resulted in one diamond drill hole intersecting 5 feet of 0.22 oz.gold/ton and 50 feet of 1.5% copper. Significant gold values have been established on both the Southwest and Southeast zones with some values ranging between 0.688 and 1.858 oz.gold/t. The main area of interest is the Northeast zone where a large gossanous outcrop several hundred metres in diameter was discovered last season. Surface samples assayed between 0.20 and 0.78 oz.gold/ton.

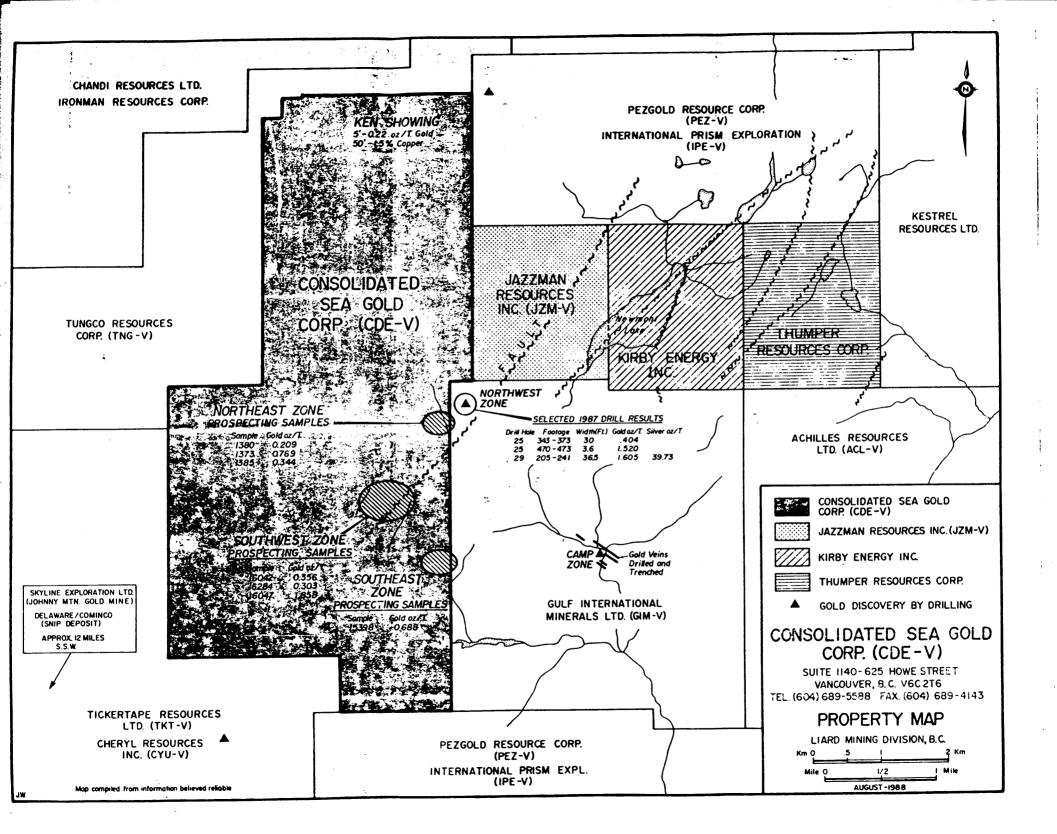
A recent survey of the north-south claim boundary between Consolidated Sea Gold's property and Gulf International Minerals Ltd. has established that the major gold discovery of Gulf's high grade Northwest zone is located only 75 meters from Consolidated Sea Sold's boundary. Gulf reported one intersection of 36.5 feet of 1.6 oz.gold/t and 39.73 oz.silver/t.

Consolidated Sea Gold has arranged funding of \$210,000, which will be sufficient to conduct a substantial diamond drilling program, subject to regulatory approvals.

CANOYA RESOURCES LTD. (CVD-V)					
HOLE				YELLOW JACKET	
YJ88-36	311.7-321.5	9.8 ft	. 0.323 '	ASSAYS REPORTED	
includi	ng	3.3%	. 938 '	Canova Resources	
YJ88-37	318.3-324.8	6.5		Ltd. has received	
YJ88-42	406.8-412.4	5.6: 1		assay results from	
	452.8-456.1			Homestake Mining	
• assays pending		а с _с		Company for the	
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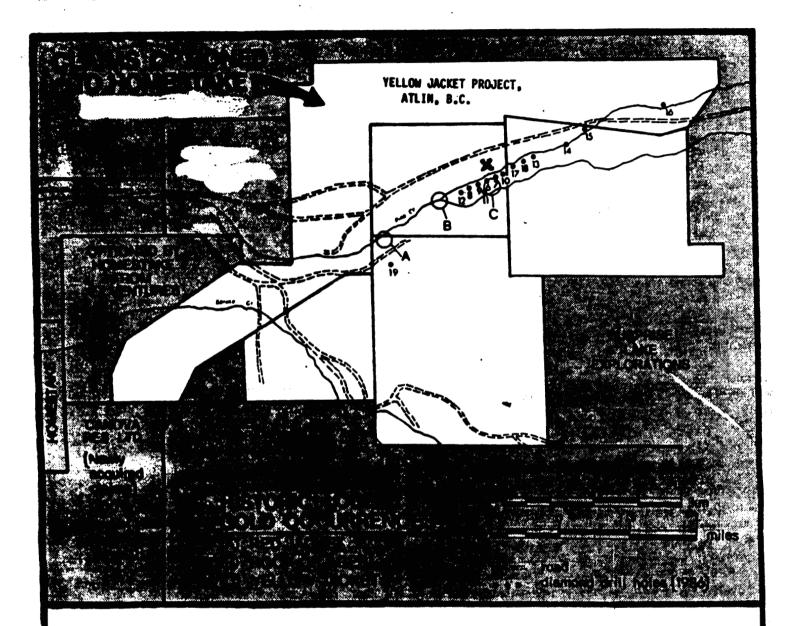
drill holes on the Yellow Jacket project at Atlin, B.C.. Assays from 3 other holes are awaited. The first two phases of the current program have been completed and indicated that the Yellow Jacket zone may extend further to north and south than was previously believed.

An 8 hole diamond drilling program started on 11Aug88 to test this hypothesis. Canova has a 40% interest and Homestake 60% (SEE MAP OVERLEAT PAGE 2).



# CANOVA RESOURCES LTD

### Homestake Mining Company



### SUNDARY OF SIGNIFICANT ASSAY RESULTS

Hole No.	From T	<u>Q</u> <u>Width in Feet</u>	<u>Gold oz/Ton</u>
DDH 86-6	280.0 29	0.0 10.0	0.52
	(including)	) 6.5	0.72
	357.0 36	7.0 10.0	0.14
DDH 86-7	136.5 14	6.0 9.5	0.23
	(including	) 4.5	0.46
DDH 86-9	•	7.5 11.0	0.31
	(including		0.55
		6.0 5.0	0.21

Anomalous gold values were obtained from diamond drill holes 10, 11, 13, 14, 15 and 16 all of which intersected the favourable structure over 2 kilometers of strike length and to 600 feet below surface.

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