

George Cross News Letter

Reliable Reporting

NO.9(1988)

JANUARY 14, 1988

BISHOP RESOURCES DEVELOPMENT LTD. (BIS-V)

MINTEK RESOURCES LTD. (MTK-V)

AMALGAMATION PLANNED - Shareholder and regulatory

approval will be sought for an amalgamation of Bishop Resources and Mintek Resources on the basis of 1 Bishop share for 1 new company share and of 3 Mintek shares for 2 new company shares. The name proposed for the new company is MINTEK GOLD MINES LTD.

Both companies have exploration properties in B.C. and Nevada and Bishop owns 50% interest in the Duthie mine, a high grade silver mine near Smithers, B.C. which is scheduled to start production in February. Bishop has 5,143,748 shares outstanding and Mintek 3,172,084.

Bishop's president Corby Stanley says historical production at the Duthie Mine has averaged 32 oz. silver per ton, 0.06 oz. gold/t, 4.8% zinc, 4.0% lead and 0.16% copper, with a gross value of \$425 per ton at current prices. Rehabilitation of the old underground workings and the mill is nearly complete. Limited mining and mill testing of the 50 tons/day mill are due to start in January. An increase in milling capacity to 100 tons per day is planned and, ultimately to 200 tons/day.

Bishop also holds 100% interest in a potential high grade gold-silver producer at Topley near Houston, B.C. and some 25 miles north of Equity Silver's producing mine. More than \$2,400,000 has been spent on its exploration since 1980 with very encouraging results. Bishop has granted Mintek the right to earn up to 50% interest in the Topley property by spending \$1,850,000 on the property over 5 years, subject to regulatory approval.

Mintek's president Victor E. Jones says Mintek holds 50% interest in the Kelly Creek project, near Terrace, B.C., on which 500,000 tons grading 3% copper and 2 oz. silver/t are known. Mintek also holds exploration properties in B.C., Idaho and Nevada.

The first priority for the combined companies will be to start production at Duthie. Further exploration of the other properties will proceed as rapidly as practical.

CANAMIN RESOURCES LTD. (CA-V)

INTEREST IN CLINTON, B.C. - Alan C. Savage, president, GOLD PROSPECT OPTIONED reports that CanaMin

Resources has entered an agreement with Southern Gold Resources Ltd. to farm in to the latter's option to earn 45% interest in the MAD claims in Clinton mining division of B.C.

Exploration by Southern Gold in 1987 qualified a gold target comprising an epithermal quartz vein traced over 250 feet of strike which assayed up to 0.2 oz. gold p/ton over 6 feet. The presence of arsenic and mercury indicate that the "gold zone" would be deeper if the deposit is consistent with the classic epithermal model. The area of the claims has many of the characteristics of an epithermal target including major fault activity, silicification, arsenic and mercury anomalies with highly anomalous gold values and altered wall rocks. CanaMin's 1988 program will be based on the drilling of 3 or more diamond drill holes to test the zone down dip where significantly higher gold values are expected. Costs are estimated at 100,000.

GOLDEN EYE MINERALS LTD. (GOM-V)

DRILL CORE ASSAYS AWAITED - Victor Guinet, president of 2 PROSPECTS ARE FARMED OUT Golden Eye Minerals Ltd.,

reports that diamond drill hole 87-3 on their Red Bird project near Salmo in SE B.C. has intersected about 54 feet of banded pyrite and sphalerite mineralization in the interval 1667 to 1935 feet and that drilling continues toward the target depth of 3000 feet. The current phase of drilling has been expanded to include a second hole to be collared immediately after completion of 87-3.

Elsewhere, company claims in the Cariboo district of B.C. are the subject of two option agreements for development. Sukuma Explorations Ltd., a private firm, may earn 50% interest in a 102-unit gold prospect by spending a total of \$140,000 on the property and paying \$10,000 in cash to Golden Eye, now paid. FORMOSA RESOURCES CORP. (FSA-V) may earn 51% interest in a 57-unit claim hosting massive sulphide mineralization by spending \$250,000 on the property.

Mr. Guinet also announces that the price per share has been determined at 42.12¢ under Golden Eye's 5Jun87 share purchase agreement with NIM Resource-1987 and Company Limited Partnership.