## George Cross News Letter

SEYER	MIL	HIGH RES	OL 18	CES_INC.	(SVH-V	I)
MERNAL		MINTH	<b>A7</b>	COLD /T	DT CT	

HOLE	INTERVAL FT.	MIDIH	OZ_GOLD/I	OZ_SILYER/I
72434	1208.8- 1217	8.2 f	eet 0.12	0.51
	1284.8- 1298.4	13.6	.28	.55
incl.	1292.15-1294.68	2,52	.44	.60
and	1295.96-1298.02	2.06	.57	1.40
	1327.6- 1394.3	66.7	.18	.32
incl.	1327.25-1331.25	4.0	.57	.84
and	1349.55-1353.95	4.40	.50	1.21
and	1359.59-1361.56	1.96	.81	.72
and	1379.5 -1382.02	2.52	.54	.45
	1414.5- 1429.9	15.4	.13	.31
	1563.0- 1570.5	7.5	.09	.12
72439	1099.2- 1126.8	27.6	.08	.17
	1178.5- 1191.6	13.1	.08	.11
	1352.8- 1359.6	6.8	.09	.12

VAULT DRILLING RESULTS- Seven Mile High Resorces Inc. reports the latest drill hole

results from the Vault claims near Okanagan Falls, 60 km south of Kelowna, B.C. Inco Limited, the operator, has earned a 60% undivided interest in the property. All holes were drilled from north to south to test the main structure. Boreholes 72435 and 72437 were undercuts of holes 72422 and 72433 and failed to encounter significant gold values. Boreholes 72434, 72436 and 72439 intersected the silicified and quartz veined pyroclastic unit several times as they went through a series of downfaulted blocks. Borehole 72438 was abandoned. Borehole 72439 was drilled from the same set up at a different dip. Drilling is continuing with two machines. (See GCNL No.95 p.2 17May88, No.67 7Apr88 and No.61 p.1 28Mar88 for previous drill results).

for 2.5-old share rollback of Kamlode Resources. The company has optioned a 50% interest in claims near the village of Skookumchuk, B.C., along with Hillside Energy 25% and Lacana Mining 25%. Previous geological and geo-chem work on the property indicates the presence of a coincident silver geochemical/induced polarization anomaly, which the company plans to drill immediately.

## GEICHELL RESOURCES INC. (GHS-V)

whiteman creek GOLD Belt- Getchell resources Inc. holds the Bolo property consisting of 72 claim units adjoin the "Brett" claims of Huntington/Lacana to the north and northwest. Since acquiring these claims, Getchell has done minimal exploration work. However, management has decided to carry out an exploration programme during 1988.

### FOR THE RECORD

ACHILLES RESOURCES LTD (ACL-V) anticipates that field crews will begin geological mapping, soil and silt sampling, and prospecting next week on the Gab project, Iskut River area, 70 miles north of Stewart, B.C.

## LACANA MINING CORPORATION(LCA-T,M,LCNAF-Nasdaq) HUNTINGTON RESOURCES INC. (HUN-V)

BRETT DRILL RESULTS EXPLAINED- Lacana Mining Corporation, reported that reverse

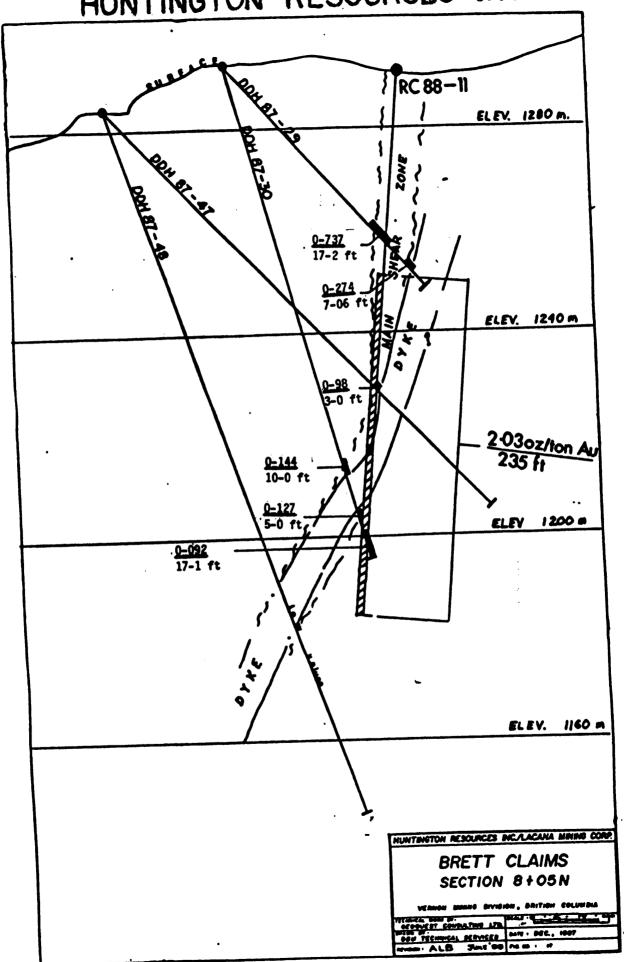
circulation hole RC 88-11 (235 feet of 2.03 oz.gold/t) on the Brett property, 25 km west of Vernon, B.C., was drilled down or along the dip of the main shear zone to test for vertical continuity between three drill intersections. These intersections were: 87-29 17.2 feet of 0.737 oz.gold/t; 87-47 3 feet of 0.98 oz.gold/t; and 87-30 17.1 feet of 0.092 oz. gold/t. (SEE GCNL NO.110, JUNE 9,1988 AND MAP OVERLEAF)

Reverse circulation drilling was used in the early part of the 1988 exploration program because of poor core recoveries and drilling difficulties encountered in the main shear zone last season. So far, incomplete assay results from other reverse circulation holes have indicated reasonable correlation with core results.

The area around the RC 88-11 intersection is currently being core drilled on 50 foot centres to better define the shape and extend of this high grade zone. The Brett property hosts several other exploration targets that will be evaluated during the current drilling program.

Lacana can earn a 51% interest in the property by spending a total of \$500,000 by December 31,1988.

# HUNTINGTON RESOURCES INC.



#### HOMSTON METALS CORPORATION (HML-V)

SOPHISTICATED METALLURGICAL RESEARCH DEMONSTRATES
SALEABLE CONCENTRATES AND GOOD RECOVERIES
A \$3,400,000 ENGINEERING PROGRAM AND FEASIBILITY STUDY
FUNDED AND UNDERWAY ON THE SILVER QUEEN MINE

Since January 1988 Cominco Engineering Services Ltd., a firm which has specialized in achieving high percentage recoveries of silver, lead and zinc from complex ores such as those at the Silver Queen and Cominco's own Sullivan mine, has been doing sophisticated research for Houston Metals, with excellent progress.

The Silver Queen Mine is located at 2500 feet elevation on Owen Lake, 30 miles south of the town of Houston, and 20 miles west of the Equity Silver Mine in central B.C. Reserves are 1,500,000 tons including 600,000 tons proven grading 0.105 oz.gold/t, 7.44 oz.silver/t, 0.48% copper, 1.58% lead and 6.64% zinc.

Flotation tests completed recently by Lakefield Research Laboratory clearly demonstrate that three concentrates can be produced from the mine ores. These three concentrates are: copper and lead concentrate; zinc concentrate and a pyrite concentrate. These concentrates recover 93% of the silver as follows: 60.3% in the copper-lead concentrate, 20.7% in the zinc concentrate and 12.1% in the pyrite concentrate. These concentrates also recover: 98.2% of the copper; 92.1% of the lead; 97% of the zinc and 85.4% of the gold. Detail of the results of this work are shown in Appendix I. (REPRINTED OVER LEAF THIS PAGE)

The consultants have calculated net smelter returns using current Cominco smelter charge schedule as follows:

Lead copper concentrates per ton \$2,403
Zinc concentrate per ton \$445
Pyrite concentrate per ton \$225

At an operating rate of 300 tons per day through the concentrating plant revenue is projected at \$90,955 per day or \$32,000,000 per year. At a rate of 500 tons per day through the concentrating plant revenue is projected at \$151,593 per day or \$53,000,000 per year.

Adolf A. Petancic, president said these are encouraging results and demonstrate that the Silver Queen can be a highly profitable mine. Metallurgical research and property development are continuing.

Funding has been arranged for a \$3,400,000 exploration and metallurgical program on the property. This program is underway with the following objectives.

-Block out minimum 1,000,000 tons proven, and several

- -Block out minimum 1,000,000 tons proven, and several million tons probable and possible;
- -Complete research of a metallurgical process and engineering for the mill flow sheet;
- -Mine and ship a bulk sample for pilot plant tests;
- -Complete a bankable feasibility study by Oct.31,1988;
- -Complete an Environmental Impact Study and file an application for production;
- -Start construction of a mill in the Spring of 1989.

(SEE GCNL NO.56 P.2 AND TABLE OVERLEAF, 21MAR88, AND NO.20 P.1 & 2 FOR MUCH MORE DETAIL, MAPS IN GCNL NO.'s 20 AND 27).