

George Cross News Letter

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SULPHURETS GOLD CORPORATION (SLE-V)

PROSPECT OPTIONED IN - Dale Wallster, president, ROSSLAND GOLD CAMP announces a preliminary agreement whereby Sulphurets Gold Corporation may earn up to 90% interest in the Crown Point mine property 2 miles SE of Rossland, B.C., from COMINCO LTD. (CLT-V,T,M). Mr. Wallster notes that Cominco was founded through development of Rossland's famed Le Roi mine, which between 1891 and 1941 produced some 2,900,000 ounces of gold from 6,200,000 tons of ore at an average grade of 0.47 ounce of gold per ton, 0.6 oz. silver/t and 1% copper. The Crown Point property's 4 crown-granted claims, originally staked in 1890, have massive pyrrhotite-chalcopryrite-gold mineralization similar to that of the Le Roi, War Eagle, and Centre Star mines and it may represent a second centre of mineralization in the mining camp.

C.W. Drysdale, in a report prepared for the Geological Survey of Canada in 1915 said, "the average analysis of ore from 11 cars shipped from the Crown Point mine to the Trail smelter was: gold 0.5 ounce, silver 0.3 ounce, copper 0.6%."

Sulphurets, as operator will now start exploration including geophysical, geological, and geochemical surveys.

Sulphurets may acquire 40% interest by spending at least \$300,000 by 31Dec90 and a further 50% by spending a further \$400,000. No cash or share option payments are required. Upon presentation of a feasibility study, Cominco may "back in" for 60% interest by spending twice what Sulphurets has spent in excess of \$300,000 and then a joint venture would be formed. If Cominco elects not to participate in developing a mine, then Sulphurets will have 100% working interest and Cominco will retain a 10% net proceeds of production interest.

NEW PRIVATEER MINE LIMITED (NPM-V)

MILL TUNE-UP STARTED - Harvey H. Cohen, P.Eng. president AT ZEBALLOS GOLD MINE of New Privateer Mine Limited stated in a recent interview that tune-up of the gravity gold concentrating plant, jigs and tables at the mine at Zeballos, northwestern Vancouver Island, B.C., has started. The facility had been ready to start for a few weeks but had to await tailings disposal permits which have now been received. The tune-up period will be about 30 days long with the first gold bars expected to be poured during May or early June 1988. The crusher has been test run and the fine ore bin is partially filled.

Mr. Cohen expects to start operating at low tonnages and build toward a steady 50 tons per day during tune-up. The plant has a nominal rated capacity of 100 tons per day. Throughput at capacity rates will await smooth continuous recoveries in the plant and additional mine development. There is a surface stockpile of 3,000 tons grading about 0.5 oz.gold/t plus 3,000 tons in stopes underground expected to have a lower grade which will be

MASCOT GOLD MINES LIMITED (MSG-V,T)

GOLDEN NORTH RESOURCE CORPORATION (GNO-V, GNOXF-Nasdaq)

HOLE NO	INTERVAL FT.	WIDTH	OZ. GOLD/T	DRILL ASSAYS
MD-3135	20.0- 24.0	4.0 feet	0.206	RECEIVED
	50.0- 51.5	1.5	.144	Golden North
	269.0-270.0	1.0	.21	Resources has
MD-3136	277.0-337.0	60.0	.20	received from
includes	313.0-321.0	8.0	.479	Mascot Gold
MD-3138	8.0- 23.0	15.0	.078	Mines, assay
MD-3139	17.0- 24.0	7.0	.194	results from an
	142.0-153.0	11.0	.323	ongoing under-
MD-3140	150.0-159.0	9.0	.348	ground diamond
MD-3141	298.0-301.0	3.0	.302	drill program
MD-3142	297.0-337.0	40.0	.142	in the Princeton
	389.5-390.5	1.0	.314	adit on the
MD-3143	198.0-215.0	17.0	.119	Horsefly-Terrier
	265.0-276.0	11.0	.485	group of mineral
MD-3144	150.0-158.0	8.0	.195	claims adjoining
	199.0-215.5	16.5	.186	the Nickle Plate
MD-3145	339.0-343.0	4.0	.215	Mine at Hedley,
MD-3148	54.0- 55.0	1.0	.194	150 miles east
MD-3149	290.0-298.5	8.5	.397	of Vancouver,
	408.0-429.0	21.0	.178	B.C. Lower

zones at the Horsefly-Terrier, identified by drilling in 1987, required the construction of an 1,800 foot access drift, at an estimated cost to Mascot of \$2,500,000, into a newly discovered gold zone outside the limits of Mascot's existing south open-pit operation. Mascot estimates the underground development program will support a production rate up to 400 tons per day. Mascot owns 100% interest and Golden North has 20% net profits interest. Drilling continues with all costs being absorbed by Mascot. (See GCNL No.41 p.1 29Feb88 for previous article and more detail).

processed during tune up. There are also 3,000 sacks, each weighing 75 to 100 pounds for a total of about 150 tons, of high grade ore stockpiled on the property. The grade of the highgrade has not been estimated but is indicated to be well over 1 oz.gold/t. A high grade sample assay: 16 oz.gold/t.

Mine development has established five veins varying from 1 to three feet wide, three of which have been opened for mining on the main level. The fifth vein has been drilled and is about 35 feet ahead of the current cross-cut face. While mine development has opened new reserves in the last year, reserves have not been increased from the 1986 estimate of 135,000 tons grading 0.5 oz.gold/t. The objective is to mine the vein as narrow as possible from close spaced raises, 25 feet apart, keeping dilution to a minimum.

The company has spent \$1,000,000 to bring the mine and mill to this point and has working capital of about \$150,000 which is expected to be sufficient until gold sales are underway. There are currently 6,370,402 shares issued.