

George Cross News Letter

NO.224(1988)
NOVEMBER 22, 1988

B.C. COAL PRODUCTION In June 1988 was 2,084,151 metric tonnes of clean coal compared to 1,741,403 metric tonnes in June 1987. In June 1988, the coal production was composed of 1,769,707 tonnes of metallurgical coal compared with 1,447,268 tonnes & 314,444 tonnes of thermal coal compared with 294,135 tonnes respectively in June 1987. Coal production for the first six months of 1988 was 12,106,259 tonnes ((10,589,179 metallurgical & 1,517,080 thermal vs 9,076,914 metallurgical & 1,665,035 thermal) for the first six months of 1987.

B.C. Coal Production in July 1988 was 1,841,936 metric tonnes of clean coal compared with 1,314,158 metric tonnes in July 1987. In July 1988, the coal production was composed of 1,567,332 tonnes of metallurgical coal compared with 999,806 tonnes & 274,604 tonnes of thermal coal compared with 314,352 tonnes respectively in July 1977. Coal production for the first 7 months of 1988 was 13,948,195 tonnes (12,156,511 metallurgical & 1,791,684 thermal) vs 12,056,107 tons (12,156,511 metallurgical & 1,979,387 thermal) for the first seven months of 1987.

FEST RESOURCES CORP. (FSC-V)

GOLDEN GLACIER RESOURCES INC. (GGA-V)

HOLE	INTERVAL	WIDTH	GOLD	SILVER	COPPER	LEAD	ZINC
	FEET	FEET	OZ/T	OZ/TON	%	%	%
88-1	222.0-223.0	1.0	0.175	4.02	0.80	0.14	0.09
88-2	283.5-284.5	1.0	.047	2.52	.23	.11	.13
88-3	77.0- 78.0	1.0	.102	3.58	.57	.07	.10
88-4	128.5-130.0	1.5	.168	.74	.31	.20	.02
	130.0-132.0	2.0	.084	1.55	.26	.10	.15
	133.0-136.0	3.0	.151	15.94	.40	.06	.01

RESULTS RECEIVED - Fest Resources Corp. 50% and Golden Glacier Resources Inc. 50% have

received the results above from 1,495 feet of drilling in 6 holes on their jointly owned property at the head of American Creek, about 26 miles north of Stewart, B.C.

CUSAC INDUSTRIES LTD. (CQC-V)

CUSAC AWARDED JUDGEMENT - Guilford H. Brett, president, reports that Cusac Industries Ltd. was successful in its action against Erickson Gold Mining Corp. (TOTAL ENERGOLD CORPORATION). Mr. Justice Gibbs of the Supreme Court of B.C. awarded judgement in favour of the company in the amount of \$2,274,096 plus pre-judgement interest from October 9/86 plus costs on the party to party scale. The total award amounts to some \$2,670,000. The judgement represents the proceeds from the gold produced from the first 12,000 tons of production from the Table Mountain gold mine, about 5 miles southeast of Cassiar, B.C., which the judge decided belonged to the company. Cusac retains a 30% net profits interest in the property.

X-CAL RESOURCES LTD (XCL-T)

EXPLORATION UNDERWAY ON NEW TARGET - New diamond drill

targets have been located on the Snowbird gold project of X-Cal Resources. The property is near Fort St. James, B.C. Geochemical surveys, surface trenching and samples from percussion drilling have located a 1.5 mile length of the main alteration zone which is located to the south and offset to the east from the Snowbird showings. The winter diamond drilling of the North and Snowbird zones will include drilling of the targets along the new section.

The sale of 550,000 shares at 40¢ each to 11 European institutions has been completed as well as the sale of an additional 564,972 previously issued flow-through shares to the same institutions. These transactions were arranged by Gaston Coblenz & Co. Ltd. X-Cal has also completed the private placement of 250,000 flow-through shares to Canadian investors at 60¢ each.

NEXUS RESOURCE CORPORATION (NXS-V,T) reports an operating loss of \$295,940 for the five months ended Sept.30,1988 when there were some 15,500,000 shares issued. Cash on hand at the end of the period was \$105,935, assets include trust funds of \$2,068,259 and investments of \$4,628,006. Peter L. Bradshaw, president of Equity Preservation Corp. and Equity Reserve Corp., major shareholders of the company, was appointed a director. Work is proceeding on the Debbie/Yellow project on Vancouver Island, B.C., where the 1.25 mile tunnel has reached the half-way point.

CALPINE RESOURCES INCORPORATED (CLP-V,ALBERTA)

FINANCING PROPOSED - Calpine Resources Incorporated

reports that the brokered private placement announced on Nov.1,1988 will not proceed; instead the company will be offering 900,000 units by prospectus. It is anticipated that the filing will be completed within two weeks on the Vancouver and Alberta exchanges. Funds from the offering will be used to continue drilling on the Eskay claims about 60 miles north of Stewart, B.C. and on the contiguous claims acquired recently from ARC Resource Group Ltd. Drilling is currently underway on the 21 Zone discovery, a 50/50 venture with CONSOLIDATED STIKINE SILVER LTD. (CKI-V) to test the dip extension from the CAB8-6 intercept, which averaged 0.73 oz.gold/ton over 96.5 feet.

CONTINENTAL GOLD CORP. (CUG-V)

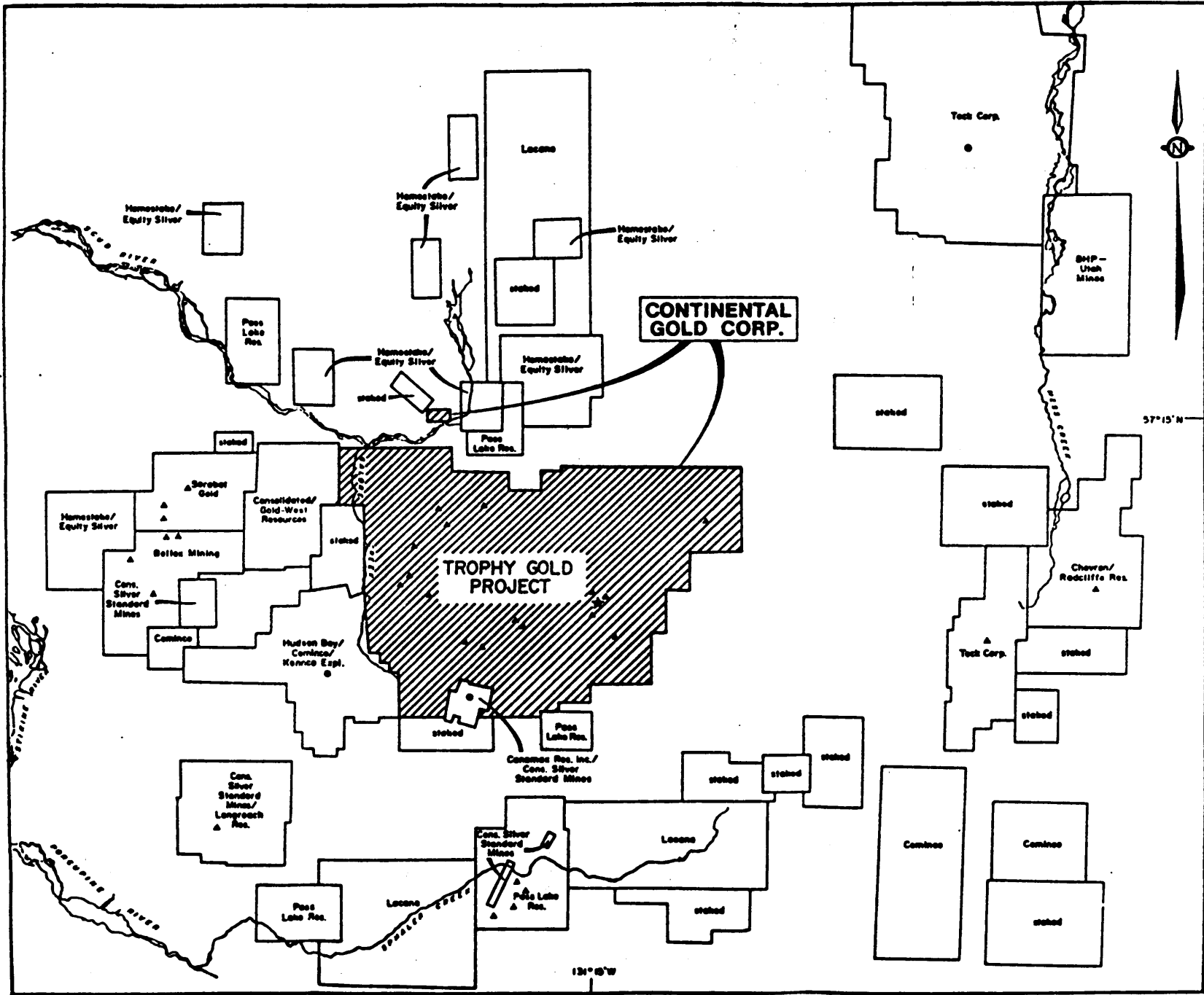
HOLE NO.	INTERVAL FEET	WIDTH FEET	GOLD OZ/T	SILVER OZ/T	ZINC %	FURTHER DRILLING 'PLANNED FOR 1987
TR88-2	193.5-226.3	32.8	0.12	6.24	2.82	'Continental
	239.4-255.8	16.4	.14	1.27	1.82	'Gold Corp. has
	193.5-203.3	9.8	.16	9.46	4.25	'completed phase
TR88-4	680.6-683.9	3.3	.43	.44	--	'one of 9295 feet
	699.2-775.6	76.4	.10	.75	1.11	'of diamond
incl.	699.2-735.6	36.4	.16	.88	1.11	'drilling in 16
and	699.2-710.5	11.2	.22	1.43	1.26	'holes on the
-----'100% owned						

Trophy Gold project located 40 miles north of the Iskut gold camp and 100 miles north of Stewart, B.C. This drilling focused on the Ptarmigan, Hummingbird and Eagle structures, with all holes intersecting zones of intensely altered volcanics and sediments up to 200 feet wide. Gold and silver assays from the drill program are associated with zones of intense brecciation and silicification, with pyrite, sphalerite, galena, arsenopyrite, native gold and electrum forming the matrix. The highest gold assays were from hole TR88-4 in the Ptarmigan structure, 570 feet below surface, with a 36.4 foot interval assaying 0.16 oz. gold/ton and 0.88 oz. silver/t. Many of the significant gold-silver intersections were accompanied by high values in lead and zinc.

Geological mapping, prospecting and sampling of the 80 square mile Trophy area during 1988 located 13 additional gold and silver showings returning assays of up to 2.58 oz. gold/t and 10 oz. silver/t. Many of the discoveries are associated with magnetite-chalcopyrite skarns localized along northeast trending structures.

Drilling on the Ptarmigan, Eagle and Hummingbird zones and the discoveries is planned for 1989.

During 1988 over 150 square miles of new mineral claims were staked adjacent to Continental Gold Corp's Trophy Gold project (SEE MAP OVERLEAF PAGE 2) by major and junior mining companies in response to Continental's gold discoveries.



LEGEND

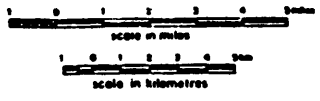
- Copper-Gold Deposit
- ▲ Gold occurrence
- ★ CONTINENTAL GOLD CORP. - 1988 diamond drilling location

EXPLORATION COMPANIES WITH CLAIMS IN THE MAP AREA

Continental Gold Corp.	Keneca Exploration (Canada) Limited
Cominco Ltd	Consolidated Silver Standard Mines Limited
Tuck Corp	Bollis Mining Corp.
Chevron Canada Resources Ltd	Consolidated Goldwest Resources Ltd
BHP-Utah Mines Ltd	Pass Lake Resources Ltd
Lacono Mining Corporation	Redcliffe Resources Ltd.
Hemetsko Mineral Development Company	Langrooch Resources Ltd.
Equity Silver Mines Limited	Saratob Gold Corp.
Hudson Bay Mining and Smelting Co.	Cominco Resources Inc.

Continental Gold Corp listed Vancouver Stock Exchange: Trading Symbol-CUG

Note: Map compiled from information believed to be reliable. Property boundaries and ownership not guaranteed.



CONTINENTAL GOLD CORP.

TROPHY GOLD PROJECT
NORTHWESTERN TERRITORIES, CANADA

TROPHY GOLD PROJECT AREA
CLAIM HOLDINGS

Liard Mining Division

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