

George Cross News Letter

NO.181(1988)
SEPTEMBER 20, 1988

GULF INTERNATIONAL MINERALS LTD. (GIM -V)

HOLE NO.	INTERVAL FT.	WIDTH	OZ. GOLD/T
DDH-88-25 (-55d)	160.1-165.0	4.9ft.	.342
	198.8-200.5	1.7	.401
	207.3-210.6	3.3	.109
DDH-88-26 (-60d)	180.1-181.8	.7	.401
	275.6-278.9	3.3	.194
DDH-88-27 (-45d)	120.7-133.9	13.2	.123
	143.7-149.3	5.6	.359
	151.2-153.5	2.3	.183
overall	120.7-153.5	32.8	.127
DDH-88-28 (-87d)	213.9-229.0	15.1	.810
	260.5-276.6	16.1	.645
	354.0-363.2	9.2	.319
overall	213.9-363.2	149.3	.290

DDH-88-28 and subsequent vertical holes are confirming the vertical extent of the mineralization along strike. ASSAYS REPORTED FROM - Gulf International Minerals has MCLYMONT CREED PROJECT reported drill hole assays from the Northwest zone on the 100% owned McLymont Creek property located in the Iskut gold belt, 100 km. north of Stewart, B.C. The oxide/sulphide mineralization is in a relatively flat lying zone along keel like structures.

SKYLINE EXPLORATIONS LTD. (SKX-T,V)

DRILL HOLE EXTENDS HIGH GRADE DISCOVERY STOPE

HOLE NO.	INTERVAL FT.	WIDTH	OZ. GOLD/TON	High grade
U 372	216.0-217.5	1.5 ft.	.124	gold assays
	217.5-221.5	4.0	.184	have been reported
	221.5-227.0	5.5	.012	from a stope defini-
	227.0-232.9	5.9	2.832	tion drill
	232.9-237.9	5.0	1.764	hole on the
	237.9-242.0	4.1	.476	Johnny Mt. gold
	242.0-245.1	3.1	.906	mine 100% owned
	245.1-249.7	4.6	.924	

Total Width of Intersection = 33.7 feet by Skyline

Weighted Average Grade = 1.054 oz.gold/T Explorations

-----Ltd., located 65 miles north of Stewart, B.C. The hole was drilled above the 11-29A Discovery zone stope. This intersection indicates the existence of a second high grade bulge in the Discovery vein system similar to one reported earlier where stoping encountered a 22.2 foot true thickness of 1.744 oz.gold/t. The present high grade zone is located 70 feet above the present stope back and about 150 feet east of the previously reported zone. Drilling is continuing to prove more reserves.

The metering system had indicated the concentrating plant, which officially started operation Aug.17,1988, was functioning at 200 tons when in fact throughput was 150 tons per day. The malfunction has been corrected and throughput is now 200 tons per day.

CATEAR RESOURCES LTD. (CAA.A-V)

PRECIOUS METAL VALUES OBTAINED FROM EAST GOLD PROPERTY

Catear Resources Ltd. reports that gold and silver values have been obtained in 3 zones from the East Gold property, 30 km southeast of the producing Goldwedge property, 50 km north of Stewart, B.C. The program has concentrated on alteration zones away from the area of previous workings. In zone No.1 samples assayed from nil to 0.21 oz.gold/ton and 4.03 to 25.41 oz.silver/t; in zone No.2, from 0.048 to 0.046 oz.gold/t and 10.27 to 12.15 oz.silver/t; and in zone No.3, from 0.054 to 0.662 oz. gold/t, and 1.65 to 15.24 oz.silver/t.

To date only 300 of 1,000 samples have been analyzed. Results to be obtained include all the sampling in previous trenches and in the area of mining. A zone has been identified near the previous workings, which is up to 4 feet wide, assays 0.1 oz. gold/t and 10 to 12 oz.silver/t.

AMBERGATE EXPLORATIONS INC. (AGQ-V)

SAMPLE NO.	OZ. GOLD/T	OZ. SILVER/T	LEAD	ZINC
88-1-1	0.008	32.67	32.2%	0.03%
88-1-2	.006	23.33	26.7	.01%
88-1-3	.010	35.23	36.5	.30%
88-2-1	.004	13.46	14.7	1.65%
88-4-1	.004	14.04	13.1	.02%

REPORT ON COMSTOCK PROJECT - John Ostler, M.Sc., P.Geol., president of Ambergate

Explorations Inc. reported that mapping and sampling has been carried out on the Upper Comstock working on the property located southeast of Cascade Creek, 10 miles west of the Duncan Dam, 50 miles north of Nelson, B.C. In 1919 at least two silver-lead-zinc veins were trenching showing massive and disseminated galena and sphalerite mineralization in white quartz. No work has been recorded from this location since 1919. The old reports indicate the Upper Comstock vein to be 4 feet thick and contain a 1 foot thick lead of massive galena. The trenches are caved and the width can not be confirmed. Assays in the table above are from samples collected from material beside the trenches. (See GCML NO. 155, Aug.12,1988 for previous property results.)

MILLION RANGE EXPLORATION CORP. LTD. (BIN-V)

reports that the four hole initial drill program on the Debbie claims, 16 km southwest of Nelson, B.C. has been completed and the drill core sent to Chemex Labs for assay.

CATHEDRAL GOLD CORPORATION (CAT-T)
TAKLA GOLD MINES LTD. (TAK-Alberta)
REYMONT GOLD MINES LTD. (RMT-Alberta)

COMET INDUSTRIES LTD. (CMU-V)
DAVENPORT INDUSTRIES LTD. (DVO-V)
INITIAL DEVELOPERS LIMITED (IDV-V)
AFTON OPERATING CORPORATION

HOLE	EAST M.	NORTH M.	FROM	TO	FT.	OZ. GOLD/T
WEST ZONE						
43	266	973	126.6	133.7	7.1	0.120
44	340	907	Abandoned			
45	356	923	454.3	455.4	1.1	.078
			461.3	467.8	6.5	.279
includes			465.5	466.8	1.3	1.004
46	356	968	85.0	88.8	3.8	433
			228.5	229.3	0.8	.049
47	387	937	400.0	401.1	1.0	.094
48	340	935	443.2	448.8	5.6	.074
49	387	890	160.5	163.1	2.6	.269
50	412	937	No significant mineralization			
51	465	940	214.4	217.3	2.9	.244
			235.8	237.5	1.7	.119
52	440	920	448.8	451.4	2.6	.033
53	515	945	289.5	295.6	6.1	.051
			348.9	355.6	6.7	.044
54	546	948	343.7	346.1	2.4	.098
			480.3	485.0	4.7	.093
SOUTH ZONE						
55	920	855	155.0	157.0	2.0	.142
			252.3	254.9	2.6	.052
			412.0	414.2	2.2	.093
56	970	860	332.3	336.0	3.7	.289
			342.2	353.5	11.3	.339
57	978	855	No significant mineralization			
Holes 58 to 61 tested the east end of the East Zone.						
EAST ZONE						
58	878	855	322.5	325.0	2.5	.106
			325.0	328.0	3.0	.052
59	920	940	214.6	216.2	1.6	.028
60	865	955	No significant mineralization			
61	920	970	130.2	134.0	3.8	.279

ASSAYS REPORTED FROM TAKLA RAINBOW - Additional drill hole assays have

been reported from the Takla Rainbow property 100 miles northeast of Smithers, B.C. Takla Gold and Reymont Gold can each earn a 24.5% interest in the property, with Cathedral Gold, the operator, retaining as 51% interest. (SEE previous drill hole assays in GCNL No.158, Aug.17, 1988). An intersection of 11 feet assayed 0.339 oz. gold/t. A 1.3 foot intersection assayed 1.004 oz.gold/t.

Holes 43 to 54 continued testing the West zone, which has now been drilled along 1,000 feet of strike length to a depth of 350 feet. This zone is open along strike and to depth. Three holes were drilled in the newly discovered South zone to further test mineralization established by geophysical and geochemical surveying during 1987. In the South zone, hole No.63, currently out for assay, contained 1.5 feet with visible gold. Drilling and trenching is continuing with a decision expected in October on an underground bulk sample decision.

AFTON TO PROCESS NEIGHBOURS ORE - Reserves developed in the mid-1970's on ground adjoining the Afton Mine to the east will start to be mined by Afton Operating Corporation in the next few weeks. The property to be mine is owned by: Comet Industries 40%, Davenport Industries 30% and Initial Developers 30%. These companies receive a 25% net royalty payment from production from the property. The Afton mine and 8,000 ton per day concentrating plant is located 10 miles west of Kamloops, B.C. Ore reserves at the Afton mine are nearing exhaustion and reserves from one of the several zones on the Comet et al property will be mined to maintain operations until the Ajax reserves, located 15 miles southeast of the mine are ready for production probably in 1990. The Ajax property was owned by Cominco and is now held under an operating agreement by Afton.

Comet et al acquired the 5,000 acre mineral property, including ownership of surface rights on 185 acres, in the early 1970's at the time of the Afton discovery and subsequently drilled reserves in several zones. Afton is continuing exploration activities with two drill rigs now operating.

GOLDEN NORTH RESOURCE CORPORATION (GNO-V,T;GNOXF-Nasdaq)
CATHEDRAL GOLD CORPORATION (CAT-T)

BRALORNE EXPLORATION PROGRESSING - Golden North Resource Corporation reports that the 1988, \$3,100,000 exploration and development program on the Bralorne gold mine property, 100 miles north of Vancouver, B.C. is making good progress. Golden North, the operator, has a 57.54% interest in the project with Cathedral Gold Corporation 32.46% and Geomex Development Limited Partnership No.8 a 10% interest.

A total of 15,766 feet of surface drilling in 26 holes has been completed, with 21 holes in the King Mine area, 2 in the Bralorne 55 vein area and 3 in the Pioneer area. Visible coarse native gold has been observed in a number of holes and new veins with good values (e.g. 10 ft. of 0.536 oz.gold/ton) have been discovered in the King mine area. TABLE OF ASSAY RESULTS OVERLEAF.

Underground rehabilitation, drifting, geological mapping and sampling on the 400 and 800 levels are progressing on schedule. Surface sampling of geophysical and geochemical anomalies and sampling of old trenches have been completed with trench samples returning values up to 6.599 oz.gold/t.

Four underground drill holes totalling 1,813 feet have been completed and second underground drill will be added within two weeks. Assays are not yet available.

John Godfrey, chairman, said "The results have been encouraging and management is now considering expanding the exploration and development program to explore between the 800 and 2000 Levels in an effort to increase ore reserves". Proven and probable reserves above the 1000 foot level of 1,064,000 tons grading 0.27 oz.gold/t have been outlined. Corona Corporation holds a 42% interest in Golden North. (SEE GCNL NO.157, P.1, 16AUG88 FOR MORE DETAIL)



TABLE 1

**SUMMARY OF SIGNIFICANT SURFACE ASSAY INTERVALS
KING & PIONEER MINES**

HOLE NO.	INTERVAL FT.	VEIN WIDTH	OZ. GOLD/TON
SB88-49	155.0 - 160.9	5.9	0.233
SB88-50	468.8 - 474.1	5.3	0.145
SB88-53	264.0 - 266.5	2.5	0.270
SB88-54	613.4 - 617.0	3.6	0.176
SB88-57	63.9 - 67.3	3.4	0.305
SB88-58	156.0 - 163.0	7.0	0.250
	259.5 - 292.0	32.5	0.062
	354.0 - 356.0	2.0	0.467
	484.0 - 494.0	10.0	0.113
SB88-59	219.0 - 222.0	3.0	0.369
	230.5 - 233.5	3.0	0.115
SB88-60	213.0 - 218.5	5.5	0.081
	458.0 - 463.0	5.0	0.356
SB88-63	1009.0 - 1015.0	6.0	0.403
SB88-64	996.0 - 1000.0	4.0	0.278
	1011.0 - 1012.5	1.5	0.133
	996.0 - 1020.0	24.0	0.076
SB88-65	288.0 - 293.0	5.0	0.096
SB88-68	340.0 - 345.3	5.3	0.352
SB88-69	440.5 - 447.2	6.7	0.098
	439.3 - 453.8	14.5	0.068
SB88-70	453.5 - 460.3	6.8	0.139
SB88-72	46.5 - 56.5	10.0	0.536
	51.0 - 54.0	3.0	1.408
SB88-73	317.0 - 324.3	7.3	0.096
	354.5 - 357.1	2.6	0.156