

George Cross News Letter

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TENAJON SILVER CORP. (TJS-V)

UNDERGROUND CHANNEL SAMPLE-UNCUT

33 FEET TRUE WIDTH 0.833 OZ.GOLD/T, 2.43 OZ.SILVER/T

Donald A. McLeod, president of Tenajon Silver Corp. 50% and Esso Resources Canada Limited 50% has reported on underground development on the SB property, 19 miles north of Stewart, B.C. The underground adit intersected the zone in late June. Since then approximately 500 feet of drifting has been completed to the south parallel to the zone. A crosscut into the zone has encountered high sulphide mineralization in the "35" zone. The assays from the channel sample are shown above. The assays, cut to 1 oz.gold/t, are reported as 0.742 oz.gold/t. No assays have yet been received for copper, lead and zinc, however there are visual indications that significant values in these metals may be expected. The structure is well defined, strikes north to south and dips between 80 to 90 degrees. Approximately 25 feet before reaching the 35 zone, the crosscut intersected a 3.3 foot parallel structure that assayed 1.24 oz. gold/t.

Drifting in the hangingwall of the zone is continuing with drill stations being cut at 80 foot intervals. A 7,000 foot underground diamond drilling program, to be conducted from these stations, is scheduled to start Sept.10,1988. This underground drilling program is designed to provide data for tonnage and grade calculations.

An 8,000 foot surface diamond drilling program is underway approximately 1,000 feet south of the current underground workings. Previous diamond drilling has indicated a strong structure to the south with significant values in gold. Five holes have now been completed and assays have been received for two of the five holes. No values were encountered in the first hole due to faulting. The second hole, on a section 260 feet south of the first hole, encountered 2 feet of 0.612 oz.gold/t within a wide silicified zone with values ranging from 0.03 to 0.13 oz. gold/t.

BLACK SWAN GOLD MINES LTD. (BSW-V, Australia)

GOLDCAP INC. (GCX-Alberta)

CHIP SAMPLES IN TRENCHES		DIAMOND DRILLING RESULTS	
WIDTH	OZ.GOLD/TON	WIDTH	OZ.GOLD/TON
6.6 feet	0.66	17.4 feet	0.26
6.2	.65	18.0	.11
5.9	.30	6.6	.72
4.3	.45	3.3	.59
		1.6	.34
		2.0	.45

TAS PROPERTY OPTIONED - Black Swan Gold Mines has completed agreements to acquired 45% to 55% working interest in the Tas 16 claim, 268 unit property, located at 3,500 feet elevation, east of Inzana Lake, 5 miles west of the Cheni Gold Mines access road, 35 miles north of Fort St. James, 140 miles northeast of Prince George, B.C. The interest can be earned by spending a minimum of \$800,000 on exploration over 2.5 years. Upon completion of the \$800,000 expenditure the working interests in the property will be Black Swan and Goldcap 55%, Moranda 35%, Total Erickson 5%, and Tyler Resources 5%. Under a series of options and agreements Black Swan has the right to acquire between 51% and up to a 59% interest in Goldcap's issued shares. Three Black Swan nominees will be proposed to the Goldcap board. This is Black Swan's first project in Canada.

Gold values are mostly concentrated in northwest trending sulphide veins. Assay values from continuous chip samples from 7 trenches and 6 diamond drill holes are listed in the table.

Black Swan will be the operator and will start a program in mid-September of stripping, sampling and closely spaced delineation diamond drilling on the known zones. The zone is to be stripped for its entire length, channel sampled and drilled. The program is expected to be completed about mid-November.

MIKADO RESOURCES LTD. (MKO-V)

HOLE NO.	INTERVAL	LENGTH	GOLD OZ/TON	SILVER OZ/TON	LEAD %	ZINC %
AB 88-73	81 - 89	8	.011	4.1	7.9	2.4
AB 88-74	122.5-129	6.5	.021	2.95	4.19	16.45
AB 88-78	127 -132	5	.024	4.44	1.51	18.90
AB 88-79	155.5-185.5	30	.024	3.61	6.22	13.2
AB 88-82	255 -268	13	.009	11.2	11.43	17.13
AB 88-83	241 -262	22	.012	10.41	10.70	26.47
AB 88-87	198 -202.5	4.5	.127	5.76	9.26	26.00
	211 -215	4.0	.029	3.85	6.03	13.00
AB 88-89	111 -117	6.0	.013	3.85	6.69	3.85
	125 -126	1.0	.031	4.72	5.02	11.2
	137 -141	4.0	.053	4.14	3.40	0.25
	157 -161	4.0	.014	3.91	6.60	2.23

Mikado Resources Ltd. reports further assay results of diamond drill intersections on the southeast extension of the Abbott ore horizon on the Wagner-Abbot property, 70 miles southeast of Revelstoke, B.C. A new massive sulphide zone has been discovered at the Abbott. The zone is in the Index formation, approximately 30 feet from the limestone contact.

The drilling has followed this new zone over a strike length of some 65 feet. The zone is open in three directions and drilling is continuing on this new discovery. Core is being split and sent for assay. Assay results are to follow.

FOOTWALL EXPLORATIONS LTD. (FTW-V)

DRIFTING & RAISING UNDERWAY - Footwall Explorations has reported exploration work on the Zeballos - Hiller - Churchill property, Vancouver Island, B.C. is progressing. Cross-drifting on the A-25 gold zone has advanced 297 feet and has intersected 70 ft. of mineralized material containing magnetite, pyrrhotite, pyrite and minor chalcopyrite. The drift is continuing in mineralization. A raise has been started to intersect and evaluate diamond drill hole 24-85 which returned 9.03 oz./gold/ton across 6 1/2 feet.

Follow up work has started on the Churchill and HU grids gold-in-soil anomalies.

Footwall Explorations Ltd. holds an option from Falconbridge Limited to acquire a 51% interest in the property.

KAMAD SILVER CO. LTD. (KDS-V)

HOLE NO.	CORE INTERVAL	EST.TRUE WIDTH M.	COPPER %	LEAD %	ZINC %	GOLD OZ/T	SILVER OZ/TON
KAM33	1.9 m	1.33	1.25	6.53	6.79	0.211	1.550
KAM34	.5	.47	.06	.34	1.58	.211	.044
KAM35	.5	.47	.41	2.09	.65	.022	.583
KAM36	7.3	6.8	.22	3.93	5.71	.186	1.199
incl.	3.3	3.1	.31	6.34	8.0	.368	2.042

DRILLING RESULTS REPORTED- Esso Minerals Canada has informed Kamad Silver Co. Ltd. of its work performed on the Kamad claims 30 miles NE of Kamloops, B.C. to 15Aug88. On Kamad 3, a 27 line km grid was established on which soil sampling and geological mapping have been completed. Preliminary results indicate two moderate contrast zinc anomalies. On Kamad 7, relogging of core from previous holes in this area was completed together with additional trenching for drill targets for this year. Nine holes were drilled, four of which are summarized in the table. Esso has advised Kamad that funds are to be made available for a further drilling program to start immediately. To date Esso has paid \$200,000 in option payments to Kamad.

MULTINATIONAL RESOURCES INC. (MUT-V)

PROGRESS REPORTED - Multinational Resources Inc. has received a progress report from Dr. M.C. Carter, P.Eng., which recommends a phase II drilling program totalling 5000 feet be carried out on the Toodoggone property, B.C.

Drill targets have been delayed as a result of recent surface work which has extended the areas of interest in the vicinity of several previously known zones and the identification of at least two new areas of potential gold-silver mineralization. Drilling of the identified targets is due to start during the week of August 29.

BULLION RANGE EXPLORATION CORPORATION LIMITED (BIN-V)
DRILL CONTRACT LET - Bullion Range Exploration Corporation Limited president Stewart

Neek reported that a drill contract has been let to Bergeron Diamond Drilling of Greenwood, B.C. for work on the 7 square km Debbie claims, some 16 km southwest of Nelson, B.C. Previous work indicated 4 massive sulphide zones. Samples taken from the old workings ran as high as 0.9 oz.gold/ton and 78 oz.silver/t.

Bullion Range holds a 51% interest in the Debbie claims which it is developing under the terms of a JV agreement with Mesa Resources Ltd. of Edmonton, Alberta.

In a recent progress report T.L. Sadler-Brown, geologist and director said the work carried out on the property to date consists of line cutting, EM, magnetic and preliminary geochemical surveys, and road and camp construction. Three of the four EM anomalies plus the site of the old workings have now been accessed by the new road and drill sites have been cleared. These features maintain a rough north-south trend, are open in both directions, and have been delineated by geophysics over substantial strike lengths.

In addition to the geophysical anomalies a recently discovered strong gold geochemical anomaly in the eastern part of the survey area is particularly encouraging. The anomaly which has values up to 1620 parts per billion gold (0.047 oz./ton) was discovered following the construction of the drill access road. Follow-up work will be carried out at this site in conjunction with the diamond drilling. Bullion Range also holds the Lucky Strike property, situated in the Chocolate Mountains of Imperial county, California, about 12 miles north of Yuma, Arizona. The claims cover a "window" of pre-Tertiary crystalline rock which has been explored for gold by early prospectors and miners in a number of old tunnels and shafts. Several zones of potentially economic gold mineralization are best exposed in the vicinity of the "Hess Mine", one of the principal workings in the southern portion of the property, and in a short tunnel lying a few hundred feet to the north. A second (possibly related) area, situated approximately 1/2 mile north of the Hess Mine, has also been explored.

Detailed geological mapping confirmed that gold values of economic interest are widespread in the two areas. In the southern part of the property, gold occurs within a north trending zone dipping moderately to the west and characterized by shearing, propylitic alteration, iron staining and local silicification, including development of quartz veins and fine stockworks. Within the mineralized zones samples range in value between 0.020 and 0.284 oz.gold/t. Likewise, sampling in the "North Zone" confirmed that economically significant gold mineralization exists over an area of considerable extent.

The exploration objective on the Lucky Strike property is to identify a bulk mineable, leachable gold deposit.

The regional geology of the Lucky Strike property is very favorable. A number of major, comparatively recent, discoveries along the "Chocolate Mountain Trend" have resulted in establishment of several new mines including: The Picacho Mine of Glamis Gold located about 6 miles northwest of Lucky Strike; the Kaaba/Alawas project, situated immediately to the north of the Picacho Mine and the Mesquite Mine, operated by Gold Fields Mining.

Picacho, Alawas and Mesquite are hosted by pre-Tertiary crystalline granitic rock exposed through "windows" in the more recent volcanic cover blanketing much of the region. The Lucky Strike prospect bears a marked similarity to these deposits with respect to lithology, structure, and mode of gold occurrence.

The next phase of the field work will include percussion drilling at nine sites which have been spotted on the basis of the results of the mapping and sampling program. The drilling program has received preliminary approval from the BLM. Upon receipt of final approval and completion of funding drilling will start.