

George Cross News Letter

NO.175(1988)
SEPTEMBER 12, 1988

CHAPLEAU RESOURCES LTD. (CHI-V)

GUNSTEEL RESOURCES INC. (GUN-V)

DRILL PROGRAM IN PROGRESS ON BAR PROPERTY - A 5000 foot drill program has started on Chapleau Resources' Bar property, 10 km west of Cranbrook, B.C., in which Gunsteel Resources Inc. is earning a 50% interest. Some 1400 feet has been drilled to date in four holes.

The first two holes tested a quartz vein that on surface contains visible gold associated with oxidized coarse pyrite. An altered zone with a central series of quartz veins was intersected in these holes with some of the quartz carrying oxidized coarse pyrite.

The third and fourth holes have started to test one margin of a large zone where clay alteration, carbonate alteration and silicification are associated with syenite dikes along major structural breaks. Both holes, which are drilled on one section, intersected sulfide-mineralized syenite, extensive silicification and argillic-altered wallrock. The quartz veins and altered wallrock both contain considerable pyrite, arsenopyrite, chalcopyrite and bornite mineralization consistently across more than 500 feet of the structure. Minor native copper was encountered in one silicified zone. These preliminary drill results in conjunction with surface trench data indicate that a mineralized hydrothermal system is present on the property.

Assays of grab samples from surface trenches run as high as 0.34 oz.gold/t, 1.3 oz.silver/ton and 1.3% copper. Assays should be available within 2 weeks.

CATEAR RESOURCES LTD. (CAA.A-V)

SPECTACULAR ASSAYS REPORTED - E.R. Kruchkowski, president of Catear Resources Ltd.

reports that 24 samples in 9 equally spaced channel cuts along the 96 foot stope between the No.1 level (135 foot mark) and the glory hole resulted in a calculated value of 7.896 oz.gold/ton and 5.72 oz.silver/t across 9.91 feet at the Goldwedge property, 100 km north of Stewart, B.C. Native gold was observed in three of the channel cuts as well as in locations between the sample sites. The No.1 level averaged 0.825 oz.gold/t and 1.69 oz. silver/t along 178 feet of length and 10.75 feet of width. The glory hole averaged 1.36 oz.gold/t across a width of 4 feet, the full width was not explored.

About 10% of the property has been explored with only 25% of the Golden Rocket structure tested. Three other structures remain to be tested. At present reserves are 291,912 tons at 0.837 oz.gold/t and 2.69 oz.silver/t, but ore reserves are being updated.

The mill on the Goldwedge property is operating at 40 tons per day. Low grade material is being processed prior to the onset of winter. Once the low grade material is processed, the company will start processing stope material. Catear has ordered another crushing system to crush the ore feed down from 3/4 inch to 1/4 inch and raise production to 120 tons per day.

ENERGEX MINERALS LTD. (EGX-V,T;EGEXF-Nasdaq)

HOLE	ZONE	INTERVAL FT.	WIDTH	OZ.GOLD/T
A88-24	Bonanza West	150.8-170.6	19.8 ft	0.18
includes		156.9-163.4	6.5	.43
A88-29	Bonanza West	67.3- 76.8	9.5	.14
includes		67.3- 70.5	3.2	.36
		91.0- 98.5	7.5	.18
A88-38	Bonanza South	240.5-254.4	14.0	.15
includes		249.0-254.5	5.5	.29
A88-35	Ridge	110.8-127.2	16.4	.18
includes		110.8-114.1	3.3	.48

AL DRILLING RESULTS REPORTED - Energex Minerals Ltd.

reported further drill results from its 100% owned Al project, 600 miles north of Vancouver in the Toodoggone gold camp in north-central B.C., where 35 holes have been drilled to date. Adjacent to the Bonanza orebody, the Bonanza West has been tested by 17 drill holes, with two holes reported previously. Three holes have been drilled to test for mineralization beneath existing reserves at the Bonanza South deposit. On the Ridge zone to the northeast of the Bonanza orebody, four holes have been drilled along the structure. Drill hole A88-35 encountered gold values in an area where four previous drill holes indicated a mineralized zone averaging about 18 feet in width, with a known strike length of 350 feet and vertical continuity of 700 feet. Additional drilling is underway on the Ridge zone. Wright Engineers Limited is completing a feasibility study based on reserves developed to the end of 1987. The report is expected shortly. (SEE GCNL NO.165, p.1, 26Aug88 for previous assay results).

CONSOLIDATED SEA GOLD CORP (CDE-V)

DRILLING UNDERWAY - Charles S. Underhill, president of ON ISKUT RIVER CLAIM Consolidated Sea Gold Corp.

reports that diamond drilling started Sept.3,1988 on its 100% owned Gab 11 & 12 mineral claims located in the Iskut River area, Liard Mining Division, some 100 km north of Stewart, B.C. Drilling is being conducted on several different areas of the claims where recent exploration work, including rock sampling, returned anomalous results ranging from 0.044 to 2,555 oz.gold/t. The initial drilling is being concentrated near the Southwest zone, located about 1 mile from the Northwest zone of Gulf International Minerals (SEE MAP OVERLEAF P.1 and the AREA LOCATION MAP OVERLEAF P.2). Drilling is also being conducted immediately to the northwest of a major fault that extends for several miles to the northeast. Within the next few days diamond drilling is scheduled to begin on a large coincident gold geochemical/VLF-EM/magnetic anomaly on the northeast portion of the claims.

CHANDI RESOURCES LTD.
IRONMAN RESOURCES CORP.

KEN SHOWING
5' - 0.22 oz/T. Gold
30' - 1.9% Copper

PEZGOLD RESOURCE CORP. (PEZ-V)
INTERNATIONAL PRISM EXPLORATION (IPE-V)

KESTREL
RESOURCES LTD.

TUNGCO RESOURCES
CORP. (TNG-V)

CONSOLIDATED
SEA GOLD
CORP. (CDE-V)

JAZZMAN
RESOURCES
INC. (JZM-V)

KIRBY ENERGY
INC.

THUMPER
RESOURCES CORP.

**NORTHEAST ZONE
PROSPECTING SAMPLES**

Sample	Gold oz/T
1380	0.209
1373	0.789
1385	0.344

**NORTHWEST
ZONE**

SELECTED 1987 DRILL RESULTS

Drill Hole	Footage	Width(PL)	Gold oz/T	Silver oz/T
25	345-373	30	0.04	
25	470-473	2.6	1.380	
29	205-241	38.8	1.809	39.73

ACHILLES RESOURCES
LTD. (ACL-V)

**SOUTHWEST ZONE
PROSPECTING SAMPLES**

Sample	Gold oz/T
16042	0.356
16284	0.303
16047	1.858

**SOUTHEAST
ZONE
PROSPECTING SAMPLES**

Sample	Gold oz/T
15308	0.688

CAMP ZONE
Gold Veins
Drilled and
Trenched

GULF INTERNATIONAL
MINERALS LTD. (GIM-V)

SKYLINE EXPLORATION LTD.
(JOHNNY MTR. GOLD MINE)





DELAWARE/COMMON
(SNIP DEPOSIT)

APPROX. 12 MILES
S.S.W.

TICKERTAPE RESOURCES
LTD. (TKT-V)

CHERYL RESOURCES
INC. (CYU-V)

PEZGOLD RESOURCE CORP.
(PEZ-V)
INTERNATIONAL PRISM EXPL.
(IPE-V)

-  CONSOLIDATED SEA GOLD CORP. (CDE-V)
-  JAZZMAN RESOURCES INC. (JZM-V)
-  KIRBY ENERGY INC.
-  THUMPER RESOURCES CORP.

GOLD DISCOVERY BY DRILLING

CONSOLIDATED SEA GOLD
CORP. (CDE-V)
Suite 1140-625 Howe Street
Vancouver, B.C. V6C 2T6

Tel. (604) 689-5588 FAX (604) 689-4143

PROPERTY MAP

LIARD MINING DIVISION, B.C.

Km 0 1 2 Km

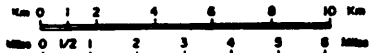
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AUGUST-1988

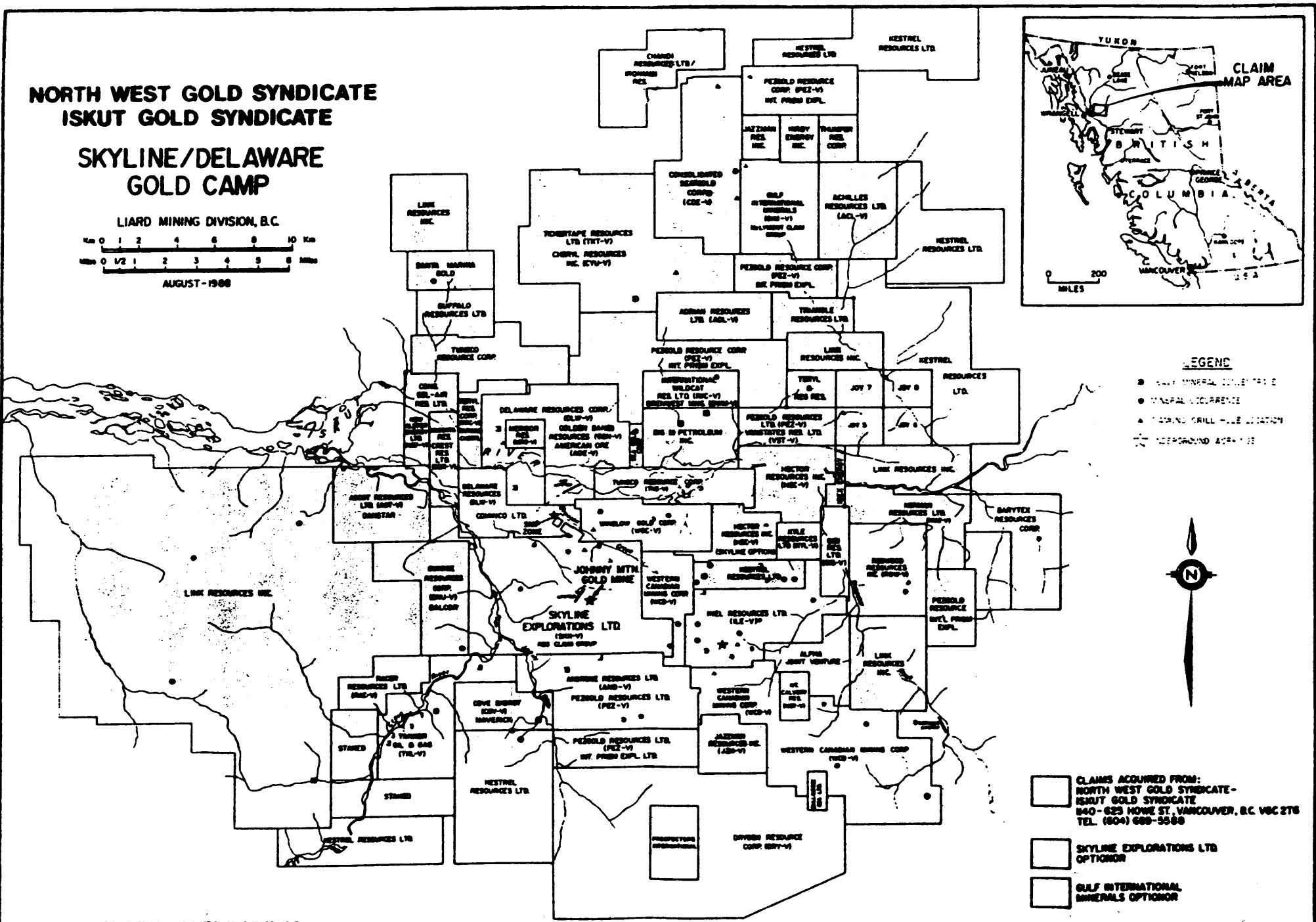
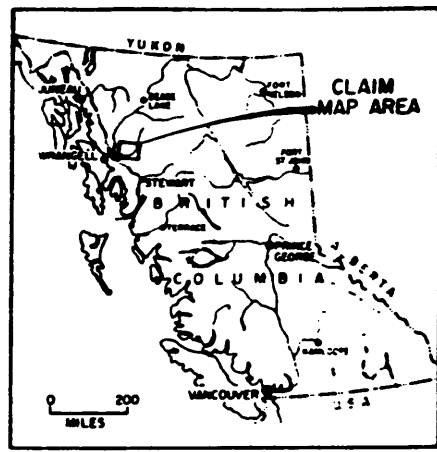
**NORTH WEST GOLD SYNDICATE
ISKUT GOLD SYNDICATE**

**SKYLINE/DELAWARE
GOLD CAMP**

LIARD MINING DIVISION, B.C.



AUGUST - 1988



- LEGEND**
- GOLD MINERAL OCCURRENCE
 - HALFPAL OCCURRENCE
 - ▲ TRAINING GRILL-HOLE LOCATION
 - REEPPROD AREA



- CLAIMS ACQUIRED FROM:
NORTH WEST GOLD SYNDICATE-
ISKUT GOLD SYNDICATE
840 - 625 HOWE ST. VANCOUVER, B.C. V6C 2T6
TEL. (604) 688-5588
- SKYLINE EXPLORATIONS LTD
OPTIONOR
- GULF INTERNATIONAL
MINERALS OPTIONOR

MAP COMPILED FROM INFORMATION BELIEVED RELIABLE.
PROPERTY LOCATIONS AND OWNERSHIP NOT GUARANTEED

ESPERANZA EXPLORATIONS LTD. (EEP-V)

RESERVE FIGURES UPDATED AND - John S. Brock, president,
EXPLORATION PROGRESS REPORTED reports that proven and
drill indicated reserves

at the Heino-Money and East zones at Esperanza Explorations Ltd.'s Tillicum Mountain project near Burton, south-eastern B.C., now stand at 450,000 tons grading 0.33 oz. gold/ton. Both zones are open along strike and to depth.

Eighty-three diamond drill holes have defined the Heino-Money over a strike length of 175 feet. The weighted average of 83 holes has an uncut grade of 1.13 oz. gold/t over a width of 5.5 feet. Underground drifting and raising presently indicates a proven/probable reserve above the 2090 meter level of 55,000 tons grading 1.05 oz. gold/t. A surface diamond drill hole will step out 1,200 feet to the north of the currently defined reserves to test an extension of the Heino-Money in an area where assays up to 0.26 oz. gold/t over 8.5 feet have been obtained in surface trenches.

The surface diamond drill program on the East Ridge zone is continuing with 36 holes completed so far this year. Sixty-one holes have traced the East Ridge over a strike length of 1,000 feet and to a depth of 1,000 feet. Present drill indicated reserves stand at 394,000 tons averaging 0.23 oz. gold/t over an average thickness of 7 feet. The zone remains open with gold geochemical values indicating strike extensions for 1,000 feet to the north and 800 feet to the south. Surface drilling in September will test the southern extension. A portal is being established at the 2060 meter level in preparation for an 800 foot drift to be driven into the zone. Raising from the drift will further advance gold reserves above the 2060 meter level to the proven category.

On the Strebe property, located 3 km from the Heino-Money/East Ridge zones, 15 surface drill holes have now been completed to test the zone over 560 feet of strike and to a depth of 650 feet. Although one drill hole intersection has returned a grade of 1.27 oz. gold/t over 12.5 feet, only partial assays have been received for the other holes.

(SEE GCNL No.150, p.1, 5Aug88 and map overleaf, No.145, p.1, 28July88 and No.133, p.1, 12July88 and map of underground workings overleaf, for drilling results and much more detail).

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

PRIVATE PLACEMENT TO - Black Swan Gold Mines Ltd. has
FUND B.C. EXPLORATION entered into an agreement with
1988 (No.3) Mintax Mineral
Limited Partnership to raise up to \$250,000 in flow
through funds. The proceeds will be spent on diamond
drilling, trenching, and sampling on the Tas property 140
miles north of Prince George, B.C. Black Swan is earning
a 55% direct and indirect interest from Moranda and Gold
Cap Inc. by spending \$800,000 on exploration over 2.5
years and by making property payments to the original
owner. Gold values up to 0.72 oz. gold/ton over 6.6 feet
are found in number of locations on the property.