

George Cross News Letter

Reliable Reporting

NO.79(1989)
APRIL 25, 1989

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WESTERN CANADIAN INVESTMENTS

GODDES RESOURCES LIMITED (GDD-T)

DRILL INDICATED RESERVES, EXPECTED TO DOUBLE
77,000,000 TONS AVERAGING 2.4% COPPER
0.082 OZ. SILVER/T, 0.007 OZ. GOLD/T, 0.08% COBALT

X 114P002
The Windy Craggy property, one of the largest massive sulphide deposits in Canada, owned by Goddes Resources is located at 4,500 feet elevation in northwest corner of B.C., north of the Alaskan panhandle, 40 miles west of the Haines highway, about 120 miles southwest of Whitehorse, Yukon. The property is 100% owned subject to no royalty or other interests. Falconbridge holds a 22.5% interest in net proceeds from production after capital payout. The company has scheduled completion of a production feasibility study by Dec. 31, 1989 at a projected exploration expense during 1989 of \$11,200,000 of which 50% has been funded. The study will consider a 15,000 to 20,000 ton per day operation at a capital cost in the range of \$350,000,000 - \$400,000,000.

The outstanding feature of the Windy Craggy massive sulphide body in addition to the established size is the geological mineralized potential in the 200,000,000 ton plus range potential.

THE THREE OUTSTANDING FEATURES FROM A RECENT VISIT TO THE DEPOSIT ARE:

- 430 FEET OF 2.34% COPPER IN MASSIVE SULPHIDES OF CHALCOPYRITE, PYRRHOTITE AND PYRITE
- ALONG THE 9077 NORTH CROSSCUT
- AND
- THE ECONOMIC IMPORTANCE OF THE HIGHER COPPER GRADE SECTIONS WITHIN THE DEPOSIT
- AND
- THE PLANNED ROAD ACCESS ROUTE, 65 MILES, TRAVERSE TYPICAL MOUNTAINOUS TERRAIN WITH WIDE OPEN VALLEYS AND ONLY 4 MILES OF GLACIER

The access road will have nothing unusual in its construction through the valleys in the mountains. The proposed route ranges from 1,200 to 4,600 ft. elevation, with much of the route following a 2,500 foot contour. This contour leads to just below the toe of the glacier, 4 miles from the portal. This glacier covers a portion of the deposit. The present camp is at 2200 feet elevation, 11 miles from the mine portal. There is only one relatively major river crossing requiring a 700 foot bridge span. There are a number of profitably operating mines with much more difficult and expensive access. One of the special considerations for the mine will be the upgrading of the existing 4 miles of glacier road. The engineers suggest that by laying a fairly wide layer of base rock several feet thick, to insulate the glacier from thawing, that an all weather main haulage road can be achieved with only slightly more than normal mountain road maintenance. The development plan calls for building the concentrator and permanent camp at or near the portal at 4,500 feet elevation with service over the glacier for camp, mine and mill. The road access would be supplemented by the present 3,000 foot airstrip now capable of handling, 3 ton pay load DC-3 aircraft. It is intended to extend the air strip to 4,500 feet to accommodate 22 ton pay load Hercules aircraft.

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+ NO.79(APRIL 25, 1989) + OWNED, PUBLISHED AND

IMPERIAL METALS CORPORATION (IPM-V,T,M)

IMPERIAL REALIZES CASH GAINS - Harry P. Sutherland, vice president, finance reports that Imperial Metals Corporation has sold 701,000 shares of its affiliate Anglesey Mining plc.(AYM-LONDON). This cash transaction will result in a net gain of \$1,100,000 to Imperial in its first fiscal quarter. Imperial intends to maintain its 34.4% interest in Anglesey, which is valued at \$17,400,000 or \$1.02 per Imperial share based on recent London Stock Exchange trading prices. Anglesey is sinking a shaft at its Parys Mountain property in North Wales. The Parys Mountain deposit contains mining reserves of 5,284,000 tons grading 6.04% zinc, 1.49% copper, 3.03% lead, 2.02 oz silver/t and 0.013 oz gold/t.

PIONEER METALS CORPORATION (PSM-V,T) X 104B54

EXPLORATION RESULTS - Robert D. Willis, president of Pioneer Metals Corporation reports that the Premier gold project is currently in the start up phase with initial production planned for May 1, 1989. The 40% owned Premier Gold project is located 9 miles north of Stewart, B.C. Westmin Resource owns 51% and is operator. Canaccord Resources Inc. (CQD-T) owns a 9% interest. Pioneer expects the project to reach commercial production levels by September 1989. At 2,200 tons per day, average production for the first four years of full production should be 77,000 ounces gold and 900,000 ounces silver.

In the initial 1989 drilling program a total of 6,017 feet were drilled in 16 holes and covers a section between the 609 and 48 zones where underground reserves are being developed. Results of this drilling indicate a zone of alteration hosting the gold and silver mineralization often well defined by a zinc and lead halo. The most significant intersection is DDH 526, which cut 27.9 feet of 0.24 oz. gold/ton and 1.05 oz. silver/t. Other interesting intersections are:

HOLE	INTERVAL, FT.	LENGTH	OZ. GOLD/T	OZ. SILVER/T
523	129.3-142.4	13.1ft.	0.226	0.15
524	211.9-215.8	3.9	.261	1.34
	233.6-244.1	10.5	.153	.23
526	330.2-367.1	27.9	.237	1.05
527	183.1-188.0	4.9	.133	.67
528	167.0-175.8	8.8	.105	.29
529	227.0-279.2	52.2	.055	.14
	incl. 234.9-240.1	5.2	.270	.39
532	126.6-132.8	6.2	.022	3.87
535	396.0-470.8	74.8	Scattered Values	
	incl. 396.0-422.2	26.2	.087	.37
536	471.1-494.1	23.0	.069	.25

ORE RESERVES TO DATE AT THE PREMIER GOLD PROJECT

LOGICAL RESERVES	TONS	OZ. GOLD/T	OZ. SILVER/T
Premier-Glory Hole Zone	7,025,905	0.067	2.54
Hope	5,510	0.099	3.00*
Power	110,200	0.078	3.98
46 (u/g)	199,516	0.318	1.39
Northern Light (u/g)	66,722	0.061	1.96*
602 Zone	458,778	.188	.83
609 Zone	354,092	.170	.53
Big Missouri	3,967,300	.076	.74

* Also moderate base metal values.

MINEABLE RESERVES	TONS	OZ. GOLD/T	OZ. SILVER/T
Premier Open Pit	46,500,000	0.063	2.34
Big Missouri	1,857,000	.091	.67

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