

George Cross News Letter

Reliable Reporting

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WESTERN CANADIAN INVESTMENTS

BREAKWATER RESOURCES LTD. (BWR-V,T)

EAST AMPHI PROGRAM SUMMARIZED - Breakwater Resources Ltd. reported the results of the recently completed underground exploration program at the East Amphi joint venture project, located 2 km north-west of Malartic, Quebec. Breakwater, the operator, has a 51% interest; Bond Gold Canada Inc. has a 49% interest. A 11,634 meter surface diamond drilling program completed in July 1988 outlined a mineral inventory of 531,300 tonnes grading 0.61 grams gold/ton (585,500 tons of 0.25 oz. gold/t), based on 54 widely spaced holes. Following evaluation of these drill results, the joint venture initiated underground sampling, mapping and diamond drilling on the existing levels in October 1988. This program was completed on March 1, 1989 at a cost of \$1,100,000.

The underground drilling, consisting of 92 holes totalling 3,293 meters, was directed at confirming grades, thickness and potential tonnages in the Main and Y zones. The zones were tested along a strike length of 190 meters and over a vertical extent of 95 meters centered on the existing underground levels.

THE TABLE OVERLEAF P.1 lists all underground drill holes intersecting gold values equivalent to or greater than 3.5 g/tonne (0.1 oz./ton) over a minimum core length of 1.5 meters (4.9 feet). All core assay values of less than 1.5 meters in length have been diluted to 1.5 meters. A mineral inventory estimate based on all underground and surface exploration results is being compiled and will determine the next step in the evaluation of the property. In the meantime, a 3,600 meter surface drill program is under way to further delineate the down dip extent of the Y2 and Y1 zones to the 300 meter level.

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HOLES	INTERVAL FT	LENGTH FT	GRADE G/T	GRADE OZ/T	ASSAYS
89-1	52.0-60.0	8.0	1.17	0.117	Craig A. Angus, president of Sontac Minerals
89-2	92.0-110.0	18.0	.548	0.0548	Corporation reports that exploration has started on the Polaris-Taku project in northwest B.C.
	157.8-202.0	44.2	.536	0.0536	
	incl. 157.8-170.5	12.7	1.034	0.1034	
	and 174.5-202.0	27.5	.472	0.0472	
89-3	100.5-104.5	4.0	.498	0.0498	
	111.2-113.0	1.8	.419	0.0419	60 km east of Juneau, Alaska
	127.5-139.3	11.8	.412	0.0412	Alaska, Sontac Minerals may earn a 60% interest by spending \$3,000,000 on the property over 5 years. Three surface diamond drill holes have been completed to date, results in the table above. Further holes are being drilled to orientate the intercepts in hole 89-2. The exploration program continues to test areas outside of the present fully diluted ore reserve of 244,000 tons of 0.33 oz. gold/ton. The intent of the program is to outline sufficient ore reserves to commission a feasibility study in late 1989 or 1990. (SEE GCML No.6, p.1, 10-10-88 for previous results).

SILVERADO MINES LTD. (SMD-V;SLYRF-NCSUR)

AGREEMENT IN PRINCIPLE FOR - Garry L. Anselmo, president AMAX/SILVERADO JOINT VENTURE reported an agreement in principle has been reached between Silverado Mines Ltd., Amax Gold Inc. and Marubeni America Inc. for the further development of Silverado's Grant Mine, Ester Dome gold project near Fairbanks, Alaska. Amax and Silverado shall form a joint venture with Amax Gold as operator, owning 65% and Silverado 35%. To preserve its interest, Amax Gold shall pay Silverado

US \$280,000 upon signing, spend \$1,000,000 US within two years on the definition of gold reserves, and pay US \$10 per oz. gold drill proven or probable, to a maximum of US \$2,000,000. Under the proposed agreement, most of the monies to be paid upon signing and for the definition of gold reserves will be paid by Amax directly to Marubeni on Silverado's behalf, as part of the standstill agreement between Marubeni and Silverado (SEE GCML No.68, 8/28/88). The final documentation is subject to approval by Amax, Silverado, Marubeni and pertinent regulatory authorities.

INTERNATIONAL PETROLEUM CORPORATION (INP-V, AUSTRALIA) LIBYAN EXPLORATION AND PRODUCTION SHARING AGREEMENT

Lukas Lundin, vice president International Petroleum Corporation has signed an exploration and production sharing agreement with National Oil Corporation, the Libyan state-owned oil company, covering three separate blocks in the Sirte Basin encompassing an area of 932 square km, 230,204 acres (SEE MAP OVERLEAF P.2). The Sirte Basin is one of the world's most prolific oil producing basins and contains most of Libya's 25 billion barrels of proven oil reserves. The three blocks in question lie within a 30 km radius of the giant Amal, Intisar and Angila oil fields. The exploration and production sharing agreement is subject to ratification by the General People's Committee of the Socialist People's Libyan Arab Jamahiriya. The company plans to acquire seismic and drill at least 3 wells.

ALL-NORTH RESOURCES LTD. (ANN-V)

ALL-NORTH AND CHEVRON MINERALS JOINT VENTURE WHITE RIVER NICKEL PROJECT - Robert R. Friedland, president of All-North Resources reported that an agreement has been signed with Chevron Minerals Ltd. to form a 50/50 joint venture to explore All-North's White River nickel property, located 80 km northwest of the Wellgreen nickel-copper-platinum-palladium deposit 315 km northeast of Whitehorse, Yukon. No terms for the agreement were reported. Up to 6% nickel occurs within a 600 foot wide belt that extends 3,000 feet along strike on the White River property. Initial exploration has been limited to 450 feet along strike and to a depth of 700 feet. A geological inventory of 2,000,000 tons grading 0.86% nickel has been estimated by Archer Cathro & Associates Limited. Metallurgical tests by Falconbridge in 1954-58 produced a clean concentrate grading up to 20% nickel with 94% recovery using standard flotation techniques. A proposed US \$1,000,000 exploration program for 1989 will include diamond drilling to increase the grade of known mineralization and add tonnage in unexplored areas along strike, down dip, and in adjacent zones. Should exploration prove fruitful, the White River nickel project could add mill or concentrate feed to the Wellgreen project, and the properties could be developed jointly.

A detailed preliminary feasibility study of the 100% owned Wellgreen project is being prepared by Watts, Griffiths and McQuat Limited. Should the report contain favourable recommendations, All-North will commission a full scale bankable feasibility study. Current reserves stand at 46,600,000 tons grading 0.35% nickel, 0.35% copper, 0.015 oz. platinum/ton and 0.010 oz. palladium/t with possible reserves of another 8,400,000 tons of similar grade. (SEE GCML No.16, p.1-2, 24Jan89).

All-North Resources is a 59% owned subsidiary of GALACTIC RESOURCES LTD. (GLC-V,T,N,AMEX).