

**NEWS LEADER**

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NO.161(1989)  
AUGUST 22, 1989

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**CATEAR RESOURCES LTD. (CAA.A-V)**

**MINING CREWS ON THE - E.R.Kruchkowski president of Catear GOLDWEDGE PROPERTY Resources Ltd., reports that mining crews are present on the Goldwedge property 1 mile NE of the Newhawk/Granduc underground workings, about 50 km north of Stewart, B.C. At present, the No.1 stope on the No.1 level is completed and 5,000 tons are available for milling. Upon government approval the company expects to start the No.2 stopes which would include both the Golden Rocket and Discovery veins.**

The company has also been upgrading the mill facilities and test work has shown that a rate of at least 100 tons/day can be expected. In addition, the placement of the Knelson concentrator in the circuit has resulted in the upgrading of the gold concentrate.

Underground work on the Discovery vein has indicated coarse native gold in at least 3 of 10 face samples. The vein is well mineralized with sulphides and is up to 10 feet in width. The vein is in fault contact with the Golden Rocket and may be a faulted off extension of the vein. Assay results from the underground drifting and stoping are expected within several weeks.

The company has also signed a contract with a custom smelter for delivery of 3,000 ounces of gold over three years. The company has sent some material to the facility for test work and is presently awaiting results.

Catear has finalized a private placement of flow through shares to 9 placees for total proceeds of \$111,000, subject to regulatory approval.

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