

# George Cross News Letter

NO. 28 (1989)  
FEBRUARY 9, 1989

## CATHEDRAL GOLD CORPORATION (CAT-T)

NEW RESERVE ESTIMATE SHOWS 1,500,000 TONS, 0.2 OZ. GOLD/T  
900,000 TONS ADDED TO PORCHER ISLAND GOLD RESERVES

A recently completed deep drilling program at Cathedral's 100% owned Porcher Island property, 35 miles SW of Prince Rupert, B.C. has confirmed the continuity and strength of the AT zone mineralization below 400 ft. All 12 widely spaced holes returned 37 mineralized intersections averaging 0.262 oz. gold/t across 8.8 ft. This compares favourably with the 98 intersections in 52 holes above 400 ft. averaging 0.269 oz. gold/t across 12.5 ft.

An independent estimate by Montgomery Consultants Ltd. shows of 621,000 tons grading 0.32 oz. gold/t (uncut and undiluted) in the AT zone above 400 feet.

Cathedral has calculated inferred reserves of 900,000 tons grading 0.20 oz. gold/t in the AT zone below 400 ft. to a depth of 1,300 ft. Total AT zone reserves now stand at 1,523,000 tons grading 0.20 oz. gold/t. The AT zone remains open at depth and along strike.

The topographic setting will enable several years of mining prior to shaft sinking. The AT zone is located 3,000 ft. from tidewater, which provides many logistic advantages. The ore is metallurgically simple. During a prior period of production in 1937 and 1938, over 95% recovery was achieved with a simple flotation plant.

Preliminary economic studies suggest a 500 ton per day mining operation to produce 30,000 to 40,000 oz. gold per year. A pre-feasibility study by Wright Engineers Limited is in progress toward a production decision in the second half of 1989.

## PROSPECTORS AIRWAYS CO. LTD. (PRS-V)

RESULT TO BE REPORTED - Steve Buchan director, has reported Prospectors Airways Co. Ltd. has received the preliminary geological report on the mineralization in the Moly May intrusion on the Moly May property at Anyox, B.C., from the Mineral Exploration Research Institute. The program consisted of prospecting reconnaissance, mapping and sampling along geochemical grids with 50 meter grid intervals and 25 meter sample intervals covering all east, west and south mineralized zones. Over 472 samples have been collected and analysed. Results will be reported.

## CONTINENTAL GOLD CORP. (CUG-V)

### GIGI RESOURCES LTD. (GIG-V)

TROPHY GOLD PROJECT - Robert A. Dickenson, president  
OPTIONED TO GIGI reported that Continental Gold Corp. has granted Gigi Resources Ltd. an option to earn a 55% interest in the Trophy gold project, consisting of 71 sq. miles of mineral claims located 70 miles SW of Dease Lake, B.C. and 40 miles north of the Iskut River gold camp, by issuing 200,000 shares of Gigi and by spending \$5,500,000 on the property in stages over 5 years. Gigi is committed to spend a minimum of \$500,000 on the property during 1989. (SEE GCNL No. 224, p.1 and map overleaf, 22Nov88 for much detail on the property).

SAMARKAND RESOURCES INC. (SAU-V) has signed a letter of intent to acquire an undivided 100% interest in the Oksa 1, 2 and 3 mineral claims in the Galore Creek gold camp, Liard mining division, B.C., by making cash payments totalling \$37,500 and issuing 200,000 shares, subject to regulatory approval. Limited prospecting and sampling on the Oksa property during 1988 returned gold values up to 0.663 oz. gold/t.