NO.162(1990) AUGUST 22, 1990 George Cross

GALLERY RESOURCES LTD, (GYR-Alberta)

PLACER GOLD PRODUCTION REPORT - Jan Schutze, president, reports production is underway at the Hannandor placer gold operation located at the confluence of Lightning and Moustique Creeks, about 35 km east of Quesnel, B.C. Processing is 200 cubic yards per hour and preparations are underway to increase this to a maximum of 400-500 cubic yards per hour by the end of the month. The first gold has been shipped to Englehardt Refinery in Richmond, B.C. for 120 ounces assaying 90% gold. Gallery has proven

substantial tonnages of fluvial channel one of pre-glacial origin with gold grades between \$10 and \$20/cubic yard. The extent of reserves is currently being determined.

An advisory committee has been formed comprising Elliot Yehia, Larry McDannold and Elmer Petro who are likely to be nominated as directors at the fall annual general meeting. (SEE GCNL No.125, 28Jun90, P.1 FOR PREVIOUS INFORMATION)

93G 9