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George Cross

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WESTERN CANADIA

PRIME RESOURCES GROUP INC. (PRU-V)

CANARC RESOURCE CORP. (CCN-V)

GNC PROJECT UNDERWAY - Murray Pezim, chairman, reports Prime Resources Group Inc. has mobilized a diamond drill to test the Tip Top showing on the GNC property which lies adjacent to and, for the

most part, surrounds the Prime/Stikine Eskay Creek project about 65 miles northwest of Stewart, B.C. Prime is completing expenditures of \$2,300,000 as part of its earn-in agreement. The project is 66 2/3% Prime and 33 1/3% Canarc.

Surface sampling from the Tip Top showing returned assays of up to 0.217 oz.gold/ton, up to 10.41 oz. silver ton and up to 24.8% copper. A total of 1,000 meters of diamond drilling is planned for the Tip Top showing with some 4,200 feet of drilling planned in total for 25-30 holes. Sulphide mineralization and alteration associated with this showing have been traced on surface for over 1,000 meters with widths up to 10 meters. Mineralization occurs as disseminations, stringers and semi-massive to massive sulphide lenses comprised of pyrite, chalcopyrite and arsenopyrite with minor galena and sphalerite.

Geological mapping, prospecting, geochemical sampling and geophysical evaluation including VLF, magnetometer and UTEM surveys are planned to identify other promising areas. (SEE GCNL No.150, 3Aug90, P.1 FOR PREVIOUS INFORMATION)

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