

HO.163(1990)
AUGUST 23, 1990

George Cross

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WESTERN CANADIA

COLLINS RESOURCES LTD. (CR-V)

NEW PROJECT UNDERWAY - Neil Dragovan, director, reports Collins Resources Ltd. has mobilized a drill rig to the New project located 68 miles northwest of Stewart, B.C. where the company can earn a 50% interest from ADRIAN RESOURCES LTD. (ADL-V) by paying \$5,000, issuing 200,000 shares and spending \$500,000 on exploration over three years. Collins is operator during the earn-in period.

Exploration by Adrian in 1988 comprised geological mapping, chip sampling, geo-chemical sampling, grid work and a VLF-EM survey. This led to the discovery of a system of gold-bearing quartz veins in the northeastern part of the property. The vein system strikes northeast and dips steeply to the west. Two showings within this system, the Paul showing and the Number 1, are about 40 meters apart. Both feature quartz-carbonate barite vein material containing up to 20% sulphide mineralization. Gold values in excess of 1.0 oz./ton are common from grab and chip samples on the two showings. Best assay was 3.72 oz.gold/ton across 0.25 meters from the Number 1 showing. A southern extension of the vein system about 75 meters south of the Paul showing returned a grab sample assaying 11.304 oz.gold/ton.

Drilling will begin by testing the two showings at depth in the immediate vicinity of the surface expressions prior to stepping out along the strike extensions. Budget is a minimum \$125,000. (SEE GCNL No.49, 9Mar90, P.2 FOR PREVIOUS INFORMATION)

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