

NO.156(1990)
AUGUST 14, 1990

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WESTERN CANADIA

CONSOLIDATED RHODES RESOURCES LTD. (RRS-V)

COPPER CANYON EARN-IN - Art Clemiss, director, reports Consolidated Rhodes Resources Ltd. has signed an agreement with CANAMAX RESOURCES INC. (CMX-T,M) to earn a 50% interest in the Copper Canyon property located about 95 miles northwest of Stewart, B.C. Rhodes must pay \$550,000 and spend \$5,950,000 on exploration by 31Dec94.

From a limited diamond drilling program in 1957, a geological inferred reserve of 29,000,000 tons of 0.70% copper, 0.30 oz.silver/t and 0.010 oz.gold/t is calculated. The project is a bulk tonnage copper/silver/gold prospect similar to the Galore Creek deposit of Hudson Bay Mining & Smelting/Cominco/Kennco located about five miles to the west. Reserves at Galore Creek are reported as 138,000,000 tons grading 1.06% copper. At the Copper Canyon deposit, copper mineralization can be traced on surface over an area about 800 by 2,600 ft. in size. The mineralization occurs in shear and jointing systems and as disseminations within a syenitic intrusion.

Work on the property has included 3,311 feet drilled in seven holes, two of which were abandoned. The best drill results came from hole BC-57-5 collared on the southwestern-most exposure of the mineralized zone. The upper 216 feet of the hole returned 0.96% copper, 0.38 oz.silver/ton and 0.02 oz.gold/ton and included a nine-foot interval from 31 to 40 feet grading 3.3% copper, 1.13 oz.silver/ton and 0.08 oz.gold/ton. An induced polarization survey completed in 1966 defined numerous anomalies both within and outside of the syenite which have not been drilled to date.

Rhodes will spend a minimum \$250,000 on diamond drilling to follow up on results obtained by Canamax. Contingent on results, a second drill phase, budgeted at \$200,000, will begin. Field work is expected to begin toward the end of August. (SEE GCML No.140, 20Jul90, P.2 FOR OTHER PROJECT INFORMATION)

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