

NO.110(1990)
JUNE 7, 1990

George Cross

Reliable

MCCONNELL-PEEL RESOURCES LTD. (MNL-V)

SHEBA COPPER MINES LTD. (SHE-V)

ADDITIONAL FIRE AND CHEMICAL TOTAL EXTRACTION ASSAYS
CONFIRM GOLD VALUES AT SHUMWAY LAKE, NEAR KAMLOOPS, B.C.

Three important new assay results have added to the information of the gold content of a talus slope and outcrops in place, over a 100 foot to 200 foot wide zone of fresh, unaltered, diabase norite gabbro intrusive sill at the Shumway Lake, project, 14 miles south of Kamloops, B.C. The property is owned 50% by

McConnell-Peel Resources and 50% by Sheba Copper Mines. The intrusive sill, which carries small amounts of erratically distributed sulphides including very fine pyrrhotite, which when concentrated by flotation and fire assayed, returned gold values.

Vernon G.Meyer, president of McConnell-Peel and Sheba Copper said to confirm and validate gold assay results from earlier samples, each sample was further analyzed with the following results. The first sample was 99 pounds collected by Locke Goldsmith, P.Eng., which when first crushed and processed by flotation, the calculated head grade 0.0741 oz. gold per ton, prior to calculating any gold contained in the tails. The tails from the concentrates of this sample fire assayed 0.316 oz. gold per ton for a newly calculated head grade of 0.25 oz. gold per ton. It has now been established that a portion of this sample was fire assayed prior to concentration and returned 0.003 oz.gold per ton.

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The additional work on the second sample of 84.55 pounds collected by T.R.Tough & Associates Ltd. on March 31,1990, from three locations in the same area returned, when crushed and processed by flotation, a calculated head grade of 0.176 oz.gold per ton, prior to calculating any gold contained in the tails. The tails from the concentrates of this sample fire assayed 0.35 oz. gold per ton for a newly calculated head grade of 0.448 oz. gold per ton.(SEE GCNL NO.71, April 19,1990)

The third and perhaps most important assaying was done by Casmyn Research & Engineering, of Oakville, Ontario, which crushed a 37.5 kg sample collected by T.R.Tough & Associates Ltd. on March 31,1990, to minus 10 mesh and split the sample to recover a 1 kg fraction for head assay which returned 0.00018 oz./gold per ton. The balance of the sample was ground to 84% minus 200 mesh was then subjected to a cyanide leach with lime to recover in 120 hours a calculated head grade of 0.055 oz.gold per ton, indicating 97.8% gold recovered from the sample.

The sample assays to date, and in particular the total chemical extraction by Casmyn Research has indicated a severe nugget effect in the material.

Further analytical work is underway on samples from the property at Lakefield Research, Ontario. When these results have been received and evaluated the next phase of property work will be planned. The next program is likely to include grid sampling of the property followed by total chemical gold extraction assaying.

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