

NO.111(1990)
JUNE 8, 1990

George Cross

Reliable

WESTERN CANADA

NAXOS RESOURCES LTD. (NXR-Alberta)

FURTHER SHUMWAY LAKE LOW GRADE GOLD ASSAYS - Jimmy John, president of Naxos Resources Ltd. has reported split core from the Shumway Lake diamond drill hole No. 89-25, located 15 miles south of Kamloops, B.C. which had a total depth of 317 ft. vertical, cut norite intercalated with sediments. Approximately one-third of the core is coarser norite. A 38.1 kg sample of split core was ground to 100% minus 200 mesh, floated, and the float concentrate and the tails were fire assayed. A 2 kg sample was cut at -1/4 inch crush size for a heads fire assay which returned 0.049 oz.gold per ton. The concentrate was floated at a 19.76 to 1 ratio, and assayed to return 0.369 oz. gold per ton. The tails, at a 36.75% slimes weight loss, assayed 0.045 oz.gold per ton. These results provided a calculated head grade of 0.0528 oz. gold per ton.

The metallurgical and assay work was carried out at Nesmont Precious Metals, Richmond, B.C. Sampling was carried out under the supervision of Dr. W.D. Groves, P. Eng. Several more bulk tests are in progress. Five holes were drilled on this property in 1988 one hole returned a calculated head grade of 0.059 oz.gold/t upon fire assay. Five holes were drilled in 1989, a 29 pound sample from core from two of these holes was assayed by an unproved experimental process to return 0.097 oz.gold/t. Standard fire assays from three other holes returned 0.0017 oz.gold/t. On May 2, 1990, the company consultant reported samples from 8 additional holes, when fire assayed returned subeconomic gold and silver values. The best value from these 8 holes was 0.0178 oz.gold/t. (SEE GCNL NO.110, P2, STORY ON MCCONNELL-PEEL RESOURCES AND SHEBA COPPER MINES AND NO. 71, APRIL 10, 1990 FOR BACKGROUND INFORMATION)

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