George Cross

NO.125(1990) JUNE 28, 1990

GALLERY RESOURCES LTD. (GYR-Alberta)

PRODUCTION TO START - Jan Schutze, P.Geol., president, reports Gallery Resources Ltd.

will begin production on the Hannandor placer gold property by June 30/90. The claim blocks are located at the confluence of Lightning and Moustique Creeks, 35 km east of Quesnel. Phasing into full production of 500 yards per hour is expected in three weeks. Gallery has bought Caterpillar earth moving equipment with 70% financing by Finning. The company has also bought a trommel-screen-jig processing plant built and customized by R.M.S. Ross Corp. All accessory equipment including the dozer trap, conveyors, pumps and electrical parts are in the final stages of installation.

The production site and camp are completed. The Lightning Creek bridge has been upgraded and the production plant is in final completion. A test plant confirmed economic gold grades. Grades of the targeted reserves average \$5/yard and grades up to \$35/yard

directly above bedrock. Production is planned at 10,000 yards per day. Mining costs are projected to be \$1.50 to \$2.00/yard.

Shareholders on May 19/90, approved consolidation of shares on a 5-old for 1-new basis and a name change from Gallery Gold Mines Ltd. Callery has made an application for a listing on the Vancouver Stock Exchange and has been listed to Satudard & Poors' guide and granted a 12g exemption status in the United States.

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