

George Cross

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WESTERN CANADA

VARITECH RESOURCES LTD. (VAR-V)

TAM PROJECT OPTIONED - Brad Cooke, president, reports Varitech Resources Ltd. has signed a letter of intent to earn 50% in the Tam project, 130 km north of Mackenzie, and Mt. Milligan, B.C. Following a recent staking, the Tam property is 330 units, 20,000 acres in the Omenica porphyry copper/gold belt. Varitech will pay \$60,000, issue 150,000 shares and spend \$600,000 on exploration, subject to a 2 1/2% net smelter return royalty and regulatory approval.

Drilling on the Tam property by UMEX Inc. in 1973-75 outlined the Boundary deposit of 7,700,000-tons grading 0.55% copper and an unknown gold content (not assayed). Since the Continental Gold's Mt. Milligan deposit contain appreciable gold values and the Tam ground is in a related setting, the old drill core will be assayed for gold. Selected results are below.

HOLE NO.	INTERVAL FEET	LENGTH FEET	COPPER %	
T-1	15 - 198	183	0.56	' Strong exploration potential on the Tam project is indicated
T-6	12 - 590	578	.67	' by large surface geo-
T-7	14 - 550	536	.38	' physical and soil
T-9	420 - 590	170	.40	' geochemical anomalies

' trending northwest from the Boundary deposit onto the newly staked claims.
(SEE GCNL No.98, 22May90, P.2 FOR OTHER PROJECT DATA)

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