NO.126(1990) JUNE 29, 1990 George Cross Reide R

HECTOR RESOURCES INC. (HEC-V)

ISKUT EXPLORATION UNDERWAY - Charles S. Underhill,

president, reports the 1990

exploration program has begun on its Iskut River area properties N.W. of Stewart, B.C. The STU 4 and 5, NWG 6 and 7, SKY 4 and 5 and Spray 1 and 2 claims comprise 137 units and are located 10 km east of Skyline's Johnny

Mountain mine. SEE CLAIM MAP OVERLEAF PAGE 2.

NEPHELINE RESOURCES LTD. (NPL-V) can earn a 50% interest in the properties by spending \$2,000,000 on exploration over three years with \$600,000 to be spent in 1990, largely on diamond drilling.

Exploration in 1987/88 identified three areas of mineralization. To date, only 30% of the claims have been systematically explored. The Golden Spray zone contains gold-bearing quartz pyrite veining along a 1,000-meter strike length. Gold values in trenches and drill cores range up to 0.329 oz/ton. The Timber zone contains a gold geochemical soil anomaly measuring 500 meters in diameter where grab samples have returned 1.695 oz.gold/ton. The West zone will see a modest drill program where several quartz sulphide veins with values up to 0.199 oz.gold/ton have been discovered. Hector has 3,857,501 shares outstanding. (SEE GCNL No.66, 3Apr90, P.5 FOR OTHER INFORMATION)

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