

NO.118(1990)
JUNE 19, 1990

George Cross

Reliable A

WESTERN CANADA

PRIME RESOURCES GROUP INC. (PRU-V)

EXPLORATION TO START - John Ivany, president, reports Prime Resources has mobilized a drill rig to the Iskut Joint Venture Project, located immediately north of the SNIP Deposit of Prime/Cominco, 66 miles NW of Stewart, B.C. The property is subject to a Joint Venture Agreement among Prime, AMERICAN ORE LTD. (AOE-Alberta) and GOLDEN BAND RESOURCES INC. (GBN-V), whereby all partners have equal interest.

The drill will begin testing the strike and dip extensions of the RPX Zone, discovered in 1989. Hole I89-10, the westernmost hole, intersected 10.6 feet of 0.427 oz.gold/ton. Other holes on the zone returned 3.7 feet of 0.133 oz.gold/ton and 4.7 feet of 0.200 oz.gold/ton from I89-7, 2.0 feet of 0.291 oz.gold/t from I89-8, and 3.3 feet of 0.188 oz.gold/t from I89-9.

Drilling will also continue on two other showings on the property. A deep hole will test the down-dip potential of the Gorge Showing, where hole I89-1 returned intersections of 19.2 feet and 19.6 feet averaging 1.151 and 1.293 oz.gold/ton respectively. To the north, four short holes have been planned on the Gregor showing. Surface sampling here in 1989 returned an average of 0.133 oz.gold/ton across 23.0 feet, including 0.376 oz.gold/ton across 3.3 feet. Also planned is a fence of holes to test the stratigraphy roughly midway between the RPX and Gorge showings.

The 1990 Phase I exploration program is budgeted at \$600,000 with all partners contributing equally. (SEE GCNL No.102, 28May90, P.1 FOR PREVIOUS INFORMATION)

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