

George Cross

NO.106(1990)
JUNE 1, 1990

Reliable K

SARABAT GOLD CORPORATION (SAB-V)

GOLD TORCH RESOURCES LTD. (GTJ-V)

GALORE CREEK CLAIMS OPTIONED - Ralph Shearing,

president, reports

Sarabat Gold Corp. signed an option agreement for Gold Torch Resources Ltd. to earn a 50% interest in the five-claim, 85-unit ICY property located in the Galore Creek area about 150 miles northwest of Stewart, B.C.

The property is presently held by Sarabat under two options to purchase a 100% interest from BELLEUX MINING CORP. (BEL-V) and Gecko Management Ltd.

Under the terms, Gold Torch will buy 100,000 Sarabat shares at 75¢ each and issue 50,000 shares to Sarabat upon regulatory approval. To exercise the option, Gold Torch will spend \$3,500,000 on exploration over four years, \$500,000 of which must be spent the first year, issue an additional 150,000 shares and buy an additional 200,000 Sarabat shares at \$1.50 in 1991 and 100,000 shares at \$3.00 in 1992.

The ICY property is underlain by Upper Triassic andesitic to felsic volcanics and associated sediments. A series of well-developed north-easterly trending shear structures with associated gossans occur on the property. Rock chip sampling from these shear structures have returned the following values:

<u>SHOWING NAME</u>	<u>SAMPLE WIDTH</u>	<u>ASSAY RESULTS</u>
Boundary Zone	3.3 feet	1.25 oz.gold/ton
	11.2 "	0.329 "
Fourteen Vein	4.9 "	.39 "
	Including	4.38 " (grab)
Cliff Vein	1.6	.42 "
Tuff Zone	16.4	.248 "
Sixteen Zone	9.8	5.67% copper/6.04 oz.silver/t
	Float	.414 oz.gold/ton
	Float	.432 "
	Float	.887 "

104K 32

A fine-grained tuffaceous horizon containing up to 15% finely disseminated pyrite was sampled at the Tuff zone only, and returned an assay of 0.248 oz.gold/ton across 16.4 feet. The bulk tonnage potential of this tuffaceous horizon will be investigated immediately upon gaining access to the property in mid-June/90.

The above targets will be tested by diamond drilling by mid-field season after initial mapping and sampling. (SEE GCNL No.84, 1May90, P.3 FOR PREVIOUS DATA)