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George Cross

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CATHEDRAL GOLD CORP. (CAT-T)

PORCHER ISLAND UPDATE - Pierre B. Lebel, president, reports Cathedral Gold Corp. has completed a \$700,000 underground development program at the 100%-owned Porcher Island property located 40 km SW of Prince Rupert, B.C. Work included a 49 degree raise extending 360 feet between the 1110 and 1015 level adits, and a 370-foot mid-level drift. The aim of the program was to test the No.4 vein previously defined in the AT zone by surface diamond drilling. Bulk sampling of 1,464 tons over a mining width of 4.9 feet produced a weighted average grade of 0.17 oz.gold/ton and chip sampling of 100 faces returned an average weighted grade of 0.33 oz.gold/ton over an average width of 4.5 feet.

The program was successful in identifying high grade sections, the best one grading 0.57 oz.gold/ton over the last 60 feet of the east mid-level drift and which terminated in ore. The total content and geometry of this ore shoot has yet to be defined. Gold mineralization at Porcher occurs within pyritic subvertical quartz veins. The veins occupy shear zones within the intrusive material and gold values have been located in the AT, Slope, Edye and Alder zones. Geological reserves on the AT zone are 1,500,000 tons grading 0.20 oz.gold/ton.

The underground test of the No.4 vein suggests that additional underground development and infill drilling will be required to outline ore blocks for mining purposes. The company is seeking to finance this additional work through an option/joint venture arrangement and is in the process of re-evaluating all of the property's other promising zones and showings. The 3,700-acre property extends to tidewater and is accessible year round by boat, float plane or helicopter. (SEE GCNL No.75, 18Apr90, P.2 FOR OTHER PROJECT INFORMATION)

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