

George Cross

NO.86(1990)
MAY 3, 1990

Reliable K

PRIME RESOURCES GROUP INC., (PRU-V)

STIKINE RESOURCES LTD., (SKZ-V,T)

HOLE NO.	INTERVAL FEET	LENGTH FEET	GOLD OZ/T	SILVER OZ/TON	LEAD %	ZINC %	COPPER %
CA90-489	213.2-236.2	23.0	0.371	17.07	11.03	15.21	0.80
	400.2-426.4	26.2	14.44	71.40	9.03	26.23	3.53
	426.4-452.6	26.2	.133	10.90	.83	1.52	.06

NOTE: Hole was drilled on Section 8+75N at -66 degrees

HIGH GRADE ASSAY RECEIVED - Murray Pezim, chairman,
reports Prime Resources

Group Inc. and 50/50 partner Stikine Resources Ltd. have received assays for step-out drill hole CA90-489 on the Eskay Creek project about 40 km NW of Stewart, B.C. As announced 18Apr90, CA90-489 was collared at 0+58W on Section 8+75N and intersected significant coarse visible gold within a massive sulphide horizon between 401.9 and 426.5 feet. The gold occurs as fine to coarse disseminations within a chalcopyrite-rich base metal host. The visible gold interval is the first occurrence of visible gold with extensive yellow chalcopyrite mineralization in any drilling done to date. This combination of visible gold with chalcopyrite lead to the initial over-estimation of the visible gold content when the hole was first reported by the on-site geologist. (SEE GCNL No.76, 19Apr90, P.1 FOR MORE DETAILS). The above assays are total metallic gold assays, except for samples between 433.0 to 452.6 feet, which are fire assay results.

Assays are pending for drill hole CA90-497 which also intersected significant coarse visible gold within a 12.1-foot massive sulphide horizon some 50 meters south of CA90-489 at the same stratigraphic position. Drill hole CA90-515, collared at 0+47W on Section 8+50N, about midway between CA90-489 and CA90-497, intersected a 24.6-foot wide massive sulphide horizon between 393.3 and 417.9 feet. The lower 14.1 feet of this interval contained significant visible gold. Six diamond drills continue testing the mineralized zones with both infill and step-out drilling. (SEE GCNL No.81, 26Apr90, P.1)

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