

George Cross

Reliable

NO.98(1990)
MAY 22, 1990

WESTERN CANADIA

NDU RESOURCES LTD. (NDU-V)

PROJECT UPDATES - W. Douglas Eaton, director, NDU Resources Ltd., reports on the Homestake and Hyland gold projects. On the Homestake property located 19 miles SE of Stewart, B.C., NORANDA INC., must spend an additional \$500,000 to earn 50% of NDU's interest. NDU is earning a 100% interest in the principle claim group through cash payments and work commitments provided by Noranda. The property covers several old adits and hand trenches from which nine tons grading 4.08 oz.gold/ton were produced in 1939. Noranda

spent about \$500,000 last year on mapping, prospecting, soil sampling, mag and IP surveys and 4,766 feet of diamond drilling in 12 holes. Nine gold occurrences with various amounts of silver, copper, lead, zinc and barite have been identified within a 15,000-foot long up to 4,000-foot wide alteration zone trending northwesterly across the property. Moderately to intensely anomalous multi-element soil geochemical anomalies are also associated with the alteration zone. Old trenches returned up to 0.53 oz.gold/t over 34.5 feet while the best drill intersection returned 0.19 oz.gold/t over 8.2 feet. The next phase of exploration will comprise additional geophysical surveys and prospecting to better evaluate the significance of the geochemical anomalies, likely followed by diamond drilling.

104B 77