

George Cross

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Reliable

SANTA MARINA GOLD LTD. (SMJ-V)

KOALA RESOURCES LTD. (KOR-V)

MORE CREEK EXPLORATION RESULTS - Don Sheldon, president, of Santa Marina Gold Ltd. and Koala Resources Ltd., reports a preliminary program of prospecting, silt, soil, rock sampling and airborne geophysics has been completed by NORANDA INC. on the Gig, Gold, Lucifer and Devil properties about 50 mi north of Eskay Creek, 120 miles NW of Stewart, B.C.

On the Lucifer property, located 4 km NE of the Noranda-High Frontier GOZ-RDN polymetallic discovery. Noranda reports it has located a large area one by 2.5 km of moderate to intense carbonate/silica/pyrite alteration coincident with a northeast-trending fault zone cutting through the Lucifer 2 and 4 claims. Within the alteration zone, several massive pyrite pods with minor chalcopyrite have been identified. Silt samples returned anomalous molybdenum, copper, silver, arsenic, cadmium and gold values where a grab sample returned 0.24 oz.gold/ton. More prospecting, contour soil sampling and grid line cutting is underway.

Noranda also reports encouraging gold results from the Gold 1-4 claims located on the northwest corner of the GOZ-RDN property. A narrow quartz vein was discovered surrounded by a large carbonate-altered area within volcanic rocks. Grab samples are listed below:

| SAMPLE NO. | GOLD PPB | COPPER PPM | LEAD PPM | ZINC PPM | SILVER PPM |
|------------|----------|------------|----------|----------|------------|
| 130758 | 7 | 1560 | 2898 | 537 | 95.6 |
| 106978 | 380 | 19 | 2 | 1 | 0.9 |
| 106979 | 330 | 10 | 15 | 12 | .2 |
| 130770 | 990 | 31521 | 2 | 38 | 4.4 |
| 130772 | 62 | 4918 | 66 | 2 | 4.2 |
| 130776 | 4140 | 31709 | 2 | 22 | 4.5 |

Noranda is awaiting the balance of the results from the Gig and Devil claims; no significant results have been returned to date. The large alteration system discovered on the Lucifer claim group appears to trend southwesterly into an area of dense vegetation and overburden on the Devil claim group.

On Santa Marina's Kitgold claims located about 50 km southeast of Stewart, a brief evaluation of the property in late Sept/90 discovered a 1 km by 30 meter wide system of quartz veins located at the contact between volcanics and sediments. Individual veins within the zone vary up to 2 km in width and carry values between 0.134 and 0.252 oz.gold/ton. Further exploration is planned for next year. (SEE GCNL No.203, OCT.19/90, P.1 FOR OTHER PROJECT INFORMATION)

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IOAB General