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# George Cross News

*Rebelle Reporter*

## VARITECH RESOURCES LTD. (VAR-V)

BIG ONION ACQUIRED - Bradford Cooke, president, reports Varitech Resources Ltd. has agreed to acquire the Big Onion property located 15 km east of Smithers, B.C., by paying \$4,000,000 and issuing 200,000 shares over four years, subject to royalties. Varitech can also own the project outright with a \$5,000,000 buyout on the underlying 3% NSR. The claims encompass the Big Onion porphyry copper deposit on which 55,000

feet of drilling was carried out in 115 drill holes by four different mining companies in the 1960's and 1970's. Canadian Superior, the last operator to drill the property, estimated a geological reserve of up to 80,000,000 - 100,000,000 tons grading 0.42% copper and 0.02% molybdenum with unknown gold and silver grades.

Varitech believes there is potential to expand known reserves. The deposit is open to the north, and although faulted at the south end, two large geophysical induced polarization anomalies to the south may indicate a faulted extension to the Big Onion deposit or possibly an entirely new sulphide zone. The deposit is open at depth. Most of the shallow 300-foot percussion drill holes bottomed in ore grade copper and many of the deeper holes bottomed in low grade copper. It is believed the copper grades have been significantly underestimated by percussion drilling due to copper minerals being washed out of the cuttings hole. Canadian Superior estimated copper grades should be 50% higher, or 0.63% copper, as shown by five percussion holes twinned by diamond drilling.

There is also a large, near-surface supergene zone where chalcopyrite and pyrite have been almost completely leached and the copper redeposited in a higher grade zone of chalcocite and covellite. The supergene zone should be amenable to copper leaching and electrowinning. The property is accessible by an all-weather road.

Varitech will complete a review of all historical data in preparation for a major drilling and development program to start as soon as possible. (SEE GCNL No.8, 11Jan91, P.2 FOR OTHER PROJECT INFORMATION)

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