

NO.32(1991)
FEBRUARY 14, 1991

George Cross News
"Reliable Reporting"

EUREKA RESOURCES INC. (EUK-V)

FRASERGOLD EXPLORATION PLANNED - J.J.O'Neill, president,
reports Eureka

Resources Inc. and ASARCO Inc. are planning a 1991 exploration program for the Frasergold property located 60 miles east of Williams Lake, B.C. ASARCO is earning a 50% interest and must spend a minimum of \$2,000,000 on exploration in 1991 to maintain its option. ASARCO must complete a feasibility study and make a production decision to exercise its option.

Details of the 1991 program have not yet been finalized, but will likely include diamond drilling, reverse circulation drilling and underground bulk sampling. Eureka has recommended the bulk sampling program be undertaken from the existing adit as well as from a minimum of two additional adits.

ASARCO recently received an independent report from James Askew Associates Inc. which confirmed a drill indicated geological inventory of 12,000,000 to 15,000,000 tons grading 0.05 - 0.06 oz.gold/ton to a 100-meter depth. The report forecasts the gold content may be higher than drill results indicate. As the comparisons of drill indicated grades to bulk sample grades in the underground workings suggest grade improvement may be as high as 80%. (SEE GCNL No.224, 20Nov90, P.1 FOR PREVIOUS INFORMATION)

93A 150