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George Cross News

"Reliable Reporting"

AVONDALE RESOURCES INC. (AVD-V)

FORREST KERR AGREEMENT AMENDED - William Campbell,
secretary, reports

Avondale Resources Inc. has amended its agreement to earn a 100% interest in the Forrest Kerr project, located in the Iskut River area of northwest B.C. The amended terms reduce the cash payment of \$150,000 due on 15Feb91 to \$75,000. In addition, Avondale must issue 75,000 shares to the optionors, subject to regulatory approval of a report for the 1990 exploration work by the company. Compliance with these terms will complete Avondale's earn-in to a 100% interest, subject to a 3% net smelter royalty in favour of the property optionors.

Avondale received the final comprehensive work report for the project. Since 1988, work on the property resulted in the discovery of 35 base and precious metals bedrock showings. Eight of these targets were drilled with a total of 24 holes in 1990; best results were from the Creek showing, which returned broad low grade gold intercepts up to 125.1 feet averaging 0.081 oz.gold/ton, and 52.5 feet averaging 0.131 oz.gold/ton. Others new targets were also found which are not yet drilled, including the Crooked Creek and Jan showings. Grab and trench samples of the Crooked Creek showing assayed as high as 0.612 oz. gold/ton and 0.138 oz.gold/ton across 9.8 feet. Jan samples returned up to 0.863 oz.gold/ton. Avondale is reviewing the 1990 exploration work to determine the focus of the

1991 work. (SEE GCNL No.211, OCT.31/90, P.2 FOR PREVIOUS INFORMATION)

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