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"Reliable Reporting"

WESTERN CANADIAN INVESTA

SILVER BUTTE RESOURCES LTD. (SBU-V)

AMERICAN FIBRE CORPORATION (AFB-V)

GEOLOGY OF SIB EXPLORATION REVIEWED - In a recent report
D.J.Copland,
P.Eng., of Copland, Regbagliatti & Associates Ltd.
stated two seasons exploration have located 9 zones of
mineralization and 10 geophysical anomalies of extensive
length and intensity on the SIB property owned 50 - 50
by Silver Butte and American Fibre. All of the targets
have excellent potential to host gold and silver
mineralization. The property is located 60 miles
northwest of Stewart, B.C. and adjoins to the south the
ZIB discovery of Prime/ Stikine/ Placer. The work has
located gold and silver in three geologic models.

The 1991 work to date included 9 diamond drill
holes to follow up on hole No.90-30 in the Lulu zone
which cut 72 feet of black siliceous carbonaceous
exhalative mudstone containing a 47-foot section
assaying 0.421 oz. gold/t, 30.9 oz. silver/t within a
deformed limb of a syncline which has been traced over a
2,000-foot strike length. The Lulu mudstone zone has
been conclusively traced 900 meters by surface mapping.
Geological mapping of the structural and stratigraphic
characteristics of the altered rock units has resolved
the complexity of the mudstones and associate
mineralization. It was concluded the mudstone in the
Lulu zone carries disseminated and fracture-hosted gold
and silver mineralization in a folded structure
complicated by strike slip faulting. The drilling
indicated the mineralization is not evenly distributed
through out the mudstone. The exploration program which
led to the discovery of the ZIB zones is similar to the
program being followed by Silver Butte/ American Fibre.
This work consists of finding a favourable mudstone
horizon, then drilling fans of holes along the strike of
that horizon seeking a major ore body.

(SEE GCNL NO. 138, July 18, 1991 FOR THE MOST RECENT
DRILL HOLE ASSAY RESULTS FROM THE SIB 1991 PROGRAM) At
last report, 14 holes had been completed for 5,500 feet
of core. The program is continuing with a total of
25,000 feet of drilling planned for 1991. Additional
assay results are expected mid-August. (SEE GCNL
No.138, 18Jul91, P.1 FOR PREVIOUS PROJECT INFORMATION)

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