

MAJOR GENERAL RESOURCES LTD. (MGI-V)

SWANNELL RECEIVES APPROVAL FOR OPTION OF - Byard H. MacLean, president

reports Major General Resources Ltd. has received regulatory approval for SWANNELL MINERALS CORP. (SNL-V) to acquire a 60% interest in each of eight mineral properties located in the Omineca porphyry copper/gold district of central B.C. The eight properties are owned by the Takla Joint Venture in which Major General and an unrelated private syndicate have 50% interests. The Takla J/V acquired the properties based on Major General's database of areas in the Omineca district prospective for porphyry copper/gold mineralization. All eight properties cover aeromagnetic anomalies, favourable geology, and encouraging rock, soil and stream sediment samples.

On closing, Swannell will pay the Takla Joint Venture \$200,000, issue 800,000 shares, and over four years make additional cash payments totalling \$600,000 plus incur exploration expenditures of \$4,000,000.

According to Mark Rebagliatti, Swannell's geological consultant, "Each of the eight properties has the potential to host gold or copper/gold porphyry-type mineralization associated with alkaline plutons. On each of the eight claim groups, copper silt and/or soil geochemical anomalies have been identified and several copper occurrences were discovered." Gold potential was not evaluated in previous exploration.

The eight claim blocks comprise 918 units totalling 50,635 acres. A 1991 first phase program totalling \$400,000 has been recommended on the properties. Highlights of the eight properties follow.

JOH claim group (Johanson Lake area, 98 units): Exploration has identified favourable geology for porphyry copper-gold deposits. Several stream sediment copper geochemical anomalies and three copper occurrences have been identified. A grab sample collected by a claim staker assayed 2288 ppm copper, 1200 ppb gold, 8.3 ppm silver and 161 ppm arsenic.

DARB claim group (Darb Lake area, 160 units): Two priority exploration targets exist on the property. A prominent aeromagnetic anomaly corresponds to a monzonite stock that hosts copper mineralization. Highly anomalous concentrations of copper are reported from silt samples taken from streams draining the stock. In addition, an eight kilometer-long tongue of the Hogen Batholith intrudes Takla volcanic strata. A grab sample collected by a claim staker assayed 3000 ppm copper, 850 ppb gold, and 6.4 ppm silver.

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ABE claim group (Abraham Creek area, 136 units): This claim group features Takla group volcanic strata that have been intruded by mafic felsic plutons. A large molybdenum anomaly measuring 550 metres by 1250 metres has been outlined on the property. A copper/molybdenum anomaly and a copper/lead/silver vein in another area of the property also require follow-up.

TUT claim group (Tutizzi Lake area, 140 units): A diorite stock intruding the Takla volcanics is marked by a well-defined aeromagnetic anomaly in one section of the property. Three streams draining the area of the stock carry anomalous concentrations of copper.

PAL claim group (Headwaters of Matetlo Creek, 80 units): An aeromagnetic anomaly measuring 300 metres by 500 metres lies south of a dioritic stock which has intruded Takla Group volcanics and limey sediments. A 300 metre by 1,000-metre open-ended copper soil geochemical anomaly trends parallel to the aeromagnetic anomaly.

MATE claim group (headwaters of Matetlo Creek, 80 units): An aeromagnetic survey has outlined three prominent anomalies now covered by these claims, and a previous operator reported low-grade copper mineralization in association with pyrite in both volcanic strata and in an adjacent monzonite stock. The mineralization occurs within the triangle formed by the three anomalies. Another operator took chip samples from intrusive rocks that assayed up to 0.23% copper over 50 feet, and 0.38% copper over 30 feet. The only gold assay reported was from a six-inch chip sample collected from the core of a four-foot wide vein which assayed 0.02 oz.gold/ton and 3.52% copper.

ATEN claim group (headwaters of Tenakihi Creek, 104 units): This property is located five km northwest of BP Resources/Lysander Gold's CAT property. Previous follow-up work on a series of aeromagnetic highs located a cluster of copper/molybdenum silt geochemical anomalies. Two copper occurrences associated with quartz carbonate veins cutting an intrusion encircled by aeromagnetic highs were also located. No samples were assayed for gold.

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HAL claim group (Halobia Creek headwaters, 120 units): Soil geochemical surveys have defined a discontinuous 300 by 150-metre molybdenum/copper anomaly. This anomaly was drill-tested in 1972 by five short diamond drill holes that intersected traces of copper mineralization but which failed to test the core of the soil anomaly. Soil, rock and core samples were not assayed for gold.

The 1991 program will examine areas where evidence for gold/copper porphyry mineralization has already been gathered. The program is in addition to a \$300,000 diamond drilling project on a separate Major General property, the TAM project, located west of the BP Resources/Lysander Cat property. The TAM program is operated by VARITECH RESOURCES LTD. (VAR-V) which holds an option to earn a 50% interest in the property subject to certain conditions. (SEE GCNL No.79, 24Apr91, P.3 FOR OTHER PROJECT INFORMATION)

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