George Cross News

NO.62(1991) MARCH 28, 1991

CREW NATURAL RESOURCES LTD. (CWT-V)

RED DOG DRILLING RESUMES - Gerald D. Wright, president, reports Crew Natural

Resources Ltd. has resumed the drilling program on its Red Dog project located on the northern end of Vancouver Island, B.C.

This is a continuation of the 1990 drilling program and is being carried out under the terms of the Crew Natural/Horaga Resources option agreement whereby MORAGA RESOURCES LTD. (MGR-V) is totally funding the work which must be completed by 30Apr91. By timely completion of the program, Moraga can earn a 45% working interest in Crew Natural's Red Dog project by annual work commitments totalling \$2,500,000 by Nov/93 on an all or none basis. Upon earning this interest, Moraga could earn an additional 5% working interest by further expenditures or an equivalent cash payment to Crew of \$1,000,000.

The budget of approximately \$170,000, will fund a nine-hole program of some 5,000 feet of diamond drilling. The earlier phase of this joint program included 6,071 feet of drilling and further confirmed the quality and level of reserves. To date, in excess of 60 diamond drill holes, totalling 23,750 feet, have been drilled on the property.

The program currently underway will concentrate on further evaluation of the Red Dog Hill Zone, one of three prospective zones on the western part of the Red Dog property, plus one exploratory hole in the Slide Creek zone. The next phase of exploration under the Crew/Moraga program will involve Moraga spending an additional \$750,000 before 30Apr92 concentrating on the Slide Creek and M-2 zones which would be aimed at extending the estimated reserve base for the project.

The presently estimated mineable reserve on the Red Dog Hill zone includes some 52,000,000 tons grading 0.32% copper and 0.012 oz.gold/ton, on average. The company is optimistic that the total mineable reserve base for the property should ultimately exceed 100,000,000 tons at similar grades. (SEE GCNL No.24, 4Feb91. P.2 FOR PREVIOUS INFORMATION)

92L 200