

George Cross News Letter

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WESTERN CANADIAN INVESTMENTS

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TVI COPPER INC. (TVI-Alberta)

TREASURY OFFER UNDERWAY - TVI Copper Inc. is making a treasury share offering to the public of 14,390,000 common shares at 20¢ per share and 5,100,000 flow-through common shares at 22¢ per share with net proceeds to the company of \$2,618,980 and \$1,122,000, respectively. In addition, TVI Copper agreed to grant agents Research Capital Corp. and Renaissance Securities Inc. a option to buy up to 1,041,000 shares exercisable from 20¢ to 28¢ for three years from the date of receipt for the prospectus issued by the Ontario Securities Commission. TVI Copper also granted the agents a Green Shoe option to buy 2,923,500 additional shares at 20¢. TVI will pay the agents a fee of \$0.018 for each share purchased.

TVI Copper owns or has rights to acquire interests in three groups of contiguous mineral claims called the Anyox project covering about 12,075 hectares and located 128 km north of Prince Rupert, B.C. on the west side of Observatory Inlet. The project is about 29 km by water from Kitsault, currently a vacant town site. The ocean waterway is open all year round and Kitsault is connected by an all-weather access road to Terrace. There is a 30-man trailer complex on site.

The Anyox mine was operated by Granby Consolidated Mining between 1914 and 1935 and comprised an underground mine incorporating several ore zones, primarily the Hidden Creek and Bonanza, a rail haulage system, a mill, a smelter for producing blister copper, a town site, a hydroelectric plant and a deep sea port. Mine production ranged from 1,000 to 5,000 tons per day and totalled 24,000,000 tons at an average head grade of 1.57% copper. Mining ceased in 1935 due to low copper prices and high waste dilution resulting from open stope mining systems breaking through to surface.

Since 1935, the property has been explored intermittently by various companies. In the early 1980's, the mineralization was recognized as a Besshi-type volcanogenic massive sulphide deposit, like Windy Craggy, Goldstream and Sherridan, where sulphide mineralization was concentrated over an ancient ocean floor in thick beds. Independent engineers Beacon Hill Consultants estimate the Hidden Creek property alone contains an indicated open pit mineable reserve of 26,700,000 tons averaging 1.08% copper. There are at least 29 copper and 11 gold targets at the Anyox project. Beacon Hill recommends a definition drilling program costing \$500,000 to further define the drill indicated mineable reserve and a \$1,000,000 phased exploration program to test the other targets.

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