

NO. 39(1992)
FEBRUARY 25, 1992

George Cross News Letter
"Reliable Reporting"

WESTERN CANADIAN INVESTMENTS

AMBERGATE EXPLORATIONS, INC. (AGU-V)
KENRICH MINING CORPORATION (KRC-V)

SULPHURETS PROPERTY EXPLORATION RESULTS - Kenrich Mining
50% and Amber-
gate Explorations 50% jointly own 769 claim units, 60 km
north of Stewart, NW B.C. The property is divided into
two adjoining parcels. Four claims, 72 claim units, lie
on the western fringe of the Kerr and Sulphurets
properties. Placer Dome Inc. has optioned the four
claims and is exploring copper gold mineralization
similar to the Kerr deposit. The remaining 697 claim
units comprise the Corey property.

The Corey property straddles a wide area of

geologically favourable ground lying between the recent Springer Cover discovery (south of Eskay Creek) and the Kerr deposit. The area contains numerous showings and alteration zones, some similar to the veins and massive sulphides of Eskay Creek, others to the porphyry copper gold of the Kerr. Previous exploration activities on the Corey property have focused on two principal showing areas, which contain the Cumberland and C-10 zones. The Cumberland contains lenses of gold-silver rich massive sulphides and barite. The C-10 is 400 m wide and plus 1,000 long, copper gold bearing alteration zone.

Cambria Data Services has completed a reassessment of the regional geology which concluded the Salmon River and Mount Dilworth Formation rocks, which host the Eskay Creek deposit, trend onto the central area of the Corey property. Favourable stratigraphy, on the Corey prospect, trends southeasterly varying in width from 3 km near the northern property boundary to 5.5 km near Mount Madge. In addition to the Cumberland and C-10 prospects, seven mineral occurrences lie within the belt of favourable stratigraphy. Cumberland massive sulphide mineralization occurs in a shale and pillowed basalt sequence similar to the 21B zone at Eskay Creek. The C-10 zone is an extensive altered veined zone mineralized in copper, gold and minor zinc. An associated quartz-sericite-pyrite alteration zone may represent either an alkalic porphyry copper gold system, such as Kerr, or an altered stockwork feeder zone, such as found at Eskay Creek.

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To date, exploration on the Corey property has focused on two targets. The Cumberland prospect is underlain by Salmon River Formation pillowed andesites and sediments. Sheared massive sulphides lenses, containing base and precious-metals in a baritic gangue are hosted in sediments and pillowed andesites. The environment is suggestive of a volcanogenic massive sulphide setting similar to Eskay Creek.

The best assays derived from surface trench sampling in 1987 were obtained from a 0.40 metre wide massive-sulphide lens grading 0.804 oz/t gold, 5.70 oz/t silver, 0.32% copper, 11.4% lead, and 12.22% zinc. Several other high-sulphide samples assayed from 0.180 to 0.422 oz/t gold, and 0.24 to 16.58 oz/t silver across widths of 0.30 to 1.00 metres. Personnel from Placer Dome Inc. sampled the Cumberland workings in 1991. The best assays were obtained from a two metre wide chip sample grading 0.274 oz/t gold, 2.71 oz/t silver, 0.45% copper, 2.70% lead, and 9.80% zinc.

The C-10 zone, 4 km SE of Cumberland prospect, is dominated by a quartz-sericite, chlorite-pyrite alteration and is 400 m wide and 1,000 m long. The altered zone lies adjacent to an altered intrusion. Preliminary soil geochemical survey results released by Placer (1991) included copper values up to 2,858 ppm and gold values up to 860 ppb coincident with the zone of intense alteration.

Rock samples collected in the vicinity of the C-10 zone in 1988 returned values up to 0.063 oz/t gold and 4.3 ppm silver. Approximately 1.5 km to the southeast of the C-10 zone, quartz-calcite-sulphide veins were sampled and resulted in values varying from 0.029 to 1.60 oz/t gold, and 0.28 to 9.1 oz/t silver over narrow widths. Assays from 1988 diamond drill core were inconclusive.

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