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AMERICAN BULLION MINERALS LTD. (ABP-V)

FLUORITE PROJECT OPTIONED - John S. Brock, president,
reports American Bullion
Minerals Ltd. has executed a formal agreement to acquire

a 100% interest in the Clearwater fluorite and rare
earth deposit, located 84 miles north of Kamloops, B.C.,
by making staged option payments totalling \$210,000 over
two years, subject to a 1.5% net smelter return royalty.

At the Clearwater, 75 diamond drill holes indicated a near-surface, open pit geological reserve of 2,300,000 tons grading 21.3% fluorite. The deposit needs further drilling to define its size. Additional reserve potential exists in both the area near the main deposit as well as several other zones. A lower fluorite horizon was intersected grading 20% fluorite over 54 feet which warrants further drilling.

There is also potential for economic grades of celestite, the principal ore of strontium, as well as rare earths within the fluorite deposit. Random samples of the fluorite zone assay 10% to 20% celestite and average 1.03% rare earth oxide. Preliminary economic evaluations suggest that, subject to further metallurgical testing, the gross combined value of fluorite, celestite and rare earths is about \$250 per/t.

The fluorite deposit appears capable of producing acid grade fluorspar, for which an increasing demand is forecast to manufacture hydrofluoric acid to be used in making products to replace ozone-depleting chemicals. Celestite and rare earths are used by the high technology, electronic and ceramics industry. Plans are underway for drilling, bulk sampling, metallurgical testing, environmental baseline studies, marketing and pre-feasibility studies. (SEE GCNL No.115, 15Jun92, P.3 FOR PREVIOUS PROJECT INFORMATION)

92P General