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George Cross News Letter

"Reliable Reporting"

WESTERN CANADIAN INVESTMENTS

ENERGY, MINES
AND PETROLEUM RESOURCES

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EL CONDOR RESOURCES LTD. [ECN-V;ECNCF-NASDAQ]

ST. PHILIPS RESOURCES INC. [SPP-V]

RIO ALGOM LTD. [ROM-T,M]

SOUTH KEMESS COPPER/GOLD PROJECT ADVANCES - Robert G. Hunter,

chairman of El Condor Resources and Evangelos Catevatis, secretary of St Philips Resources Inc., report the on-going Kemess South Joint Venture programs are rapidly advancing the Kemess South deposit towards the status of a major open pit, gold-copper mine. Kemess South joint venture participants are El Condor with 60% and St. Philips with 40% with El Condor as operator. Rio Algom Ltd. owns 7.7% of El Condor and 30% of St. Philips.

The joint venture partners recently adopted a further \$1,000,000 budget to fund completion of advanced stage studies. These include a comprehensive and detailed Kemess South project prefeasibility study, contracted to Kilborn Engineering Ltd., which is nearing completion and will be tabled in May 1993. In addition, on-going environmental and socioeconomic studies with respect to all project components (site, transportation, power) are progressing so that an Application for a Mine Development Certificate can be made to the B.C. Government this fall. Further, a diamond drill program will start in June to explore for the fault offset to the Kemess South deposit. Twelve widely spaced drill holes have been budgeted as an initial test.

Kilborn's Prefeasibility Study for the Kemess South deposit is based on conventional milling of 44,000 tons per day over a 14-year mine life. A mineable reserve of 213,000,000 tons grading 0.23% copper, 0.019 oz.gold/t, having life of mine stripping ratio of 1.3:1, contains 1 billion pounds of copper and 3,900,000 ounces of gold. Average annual production will be 220,000 ounces of gold and 57,000,000 pounds of copper. Available infrastructure, excellent deposit grade, continuity and geometry along with metallurgy and topography all integrate favourably at Kemess South to make the deposit well suited to high volume, low cost open pit mining. (SEE GCNL NO.247, 23Dec93, P.1 FOR PREVIOUS DATA)

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