

1710 - 609 GRANVILLE ST  
PO BOX 10363  
VANCOUVER BC  
CANADA V7Y 1G5  
(604) 683-7265 FAX 683-5306

# George Cross News Letter

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## GLOBALTEX INDUSTRIES INC.

[GTX-V] 11,793,355 shs.

COAL ASSETS BEING ACQUIRED - Orval E. Gillespie, chairman,  
reports Globaltex Industries

Inc. has entered an agreement acquire certain coal properties from IDI Resources Technologies Inc. The negotiations in connection with the acquisition were previously reported in GCNL NO.23, 3Feb94, P.3 in which it was disclosed that Globaltex was negotiating an agreement to acquire an additional 4,400 hectares (11,000 acres) of coal licenses in the Chetywnd area of northeast B.C. The additional coal licences will approximately double the land position held by Globaltex in the area.

The coal properties consist of 15 coal licences in the Pine Pass Coalfield. Globaltex has agreed to pay to IDI a purchase price of \$96,425 by issuing to IDI 80,000 shares of Globaltex at a deemed issuance price of \$1.20 per share.

The principal of IDI Resource Technologies Inc. is David Fawcett, who originally contacted Globaltex in October, 1993, regarding the possibility of Globaltex entering into an agreement with respect to the foregoing coal properties that are in close proximity to Globaltex's Willow Creek Coal property. After some discussion, Globaltex agreed to acquire the new coal licences and in turn, David Fawcett agreed to work for a subsidiary of Globaltex, Globaltex Coal Corp., on a full-time basis.

Mr. Fawcett has researched the coal properties since the summer of 1991. A considerable amount of time was spent in making comparisons to other similar properties and also in the mining methods required. In discussions with Mr. Gillespie, it was agreed Globaltex would be prepared to invest about \$100,000 for the acquisition, based on receipt on a satisfactory geological report. The report entitled "Geological Assessment and Valuation of Pine Pass Project Coal Properties," dated 28Feb94 and prepared by Pika Geologic Inc., indicates the inferred and indicated in-place coal resources for the three blocks of licences acquired amount to 88,500,000 tonnes and 12,300,000 tonnes respectively, with a basic resource valuation in excess of \$5,000,000.

The acquisition greatly enhances Globaltex's surface mineable coal resources in the Pine Pass Coalfield. The new licences are in the same coal measures and are adjacent or close by the Willow Creek property so the same process plant and coal handling facilities can serve production from all properties. Most of the properties already have road access on or close to the potential mining areas. A substantial amount of exploration has been done by previous licence holders, for which much of the data is available to Globaltex.

Globaltex is currently doing infill drilling within the planned pit areas, and is obtaining bulk samples for detailed coal characterization testing, including washability, coking and combustion testing. The regulatory work is ongoing with the B.C. Government review of the Prospectus and finalization of the terms of reference for acquiring development approvals and permits. No significant strategic issues have been identified by the Government.

The acquisition by the company of the Pine Pass Project Coal Properties and the issuance of the share consideration is subject to regulatory approval.

930 General