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George Cross News Letter

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SWAY RESOURCES INC.

[SWY-V] 6,930,401 SHS.

DRILLING UNDERWAY - John Carson, president, Sway Resources Inc., reports both rotary and diamond drilling programs are now in progress on the company's Franklin gold property, 44 miles north of Grand Forks, B.C. Sway holds a 100% interest or can earn a 100% interest in the project which comprises 31 mineral claims and 10 Crown granted claims. The company previously reported a 12-foot intercept of 0.25 oz. gold/ton in a 1992 core hole. The company will also expand its area of interest by acquiring additional claims, subject to regulatory approval. Copper/gold skarns will be the main focus of exploration on this new adjoining property.

At the Rock Creek, south-central B.C. joint venture, more drilling is planned. The joint venture participants are: Sway Resources 25.5%, Phoenix Gold Resources Ltd. 25.5% and Gold City Resources Inc. 49%. Further sampling and analysis of core holes on the Ket 28 gold zone show that additional economically interesting gold values occur at depth. Core hole 94 RN1-2C (previously reported) provided assays of 1.52 oz. gold/ton over an 11-foot intercept, from 19 to 30 feet. The Ket 28 gold-bearing breccia is considered similar to and typical of other gold deposits as in the Republic Graben area of northern Washington State. The joint venture has agreed to budget for additional step-out drilling on the Ket 28 gold zone.

At the Dayton Gold Camp, south-central B.C., Sway holds an additional 17 staked units and has the right to earn 100% interest in 49 units. These units have provided encouraging gold assays including a selected 25-ton shipment made in 1901 that averaged 2.15 oz gold per ton. A preliminary evaluation program is now in progress. (SEE GCNL NO.140, 22Jul94, P.4 FOR PREVIOUS INFORMATION)

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