

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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WESTERN CANADIAN INVESTMENTS

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TREATY CREEK GEOLOGICAL REPORT - Teuton's Treaty Creek property is located

about 20 km due east of the Eskay Creek deposit and 80 km north of Stewart, B.C. The central portion of the property was first explored by Cominco in 1928. In 1987, a Teuton reconnaissance team discovered the first significant gold showing on the property, the Konkin zone, from which samples were taken assaying up to 28 oz. gold/ton over 1.2 metres. The property was optioned to Tantalus Resources in 1989. Between 1989 and 1992, Tantalus spent over \$1,500,000 on the property discovering a number of new mineral zones including the AW, Ridge, GR-2, Ball, Pyrite and Orpiment. Tantalus was unable to continue the option and returned the property to Teuton in early 1993.

A comprehensive geological report by Edward Grove, PhD., P.Eng., compiled data from all known work carried out on the Treaty Creek property to date. Dr. Grove recommended further work in seven areas on the property. These include the newly discovered Eureka zone located on the southwest flank of the extensive Treaty Gossan. Trenching in 1993 in altered rhyolite and K-feldspar porphyry returned values of up to 0.135 oz. gold/ton over 9.1 metres. This zone has only recently been exposed from under ice cover on the edge of a rapidly abating glacier.

Two new zones were also discovered in 1993 during cursory prospecting of the AW area. Three grab samples from one of these returned values averaging 158.3 oz. silver/ton, 0.033 oz. gold/ton, 1.89% copper, 22.9% lead and 1.30% zinc. The grabs were taken from a blast trench exposing about 1.5 metres of well mineralized quartz-sulfides; however, the extent of the zone could not be determined because of the depth of talus. Two grab samples from the second new zone averaged 23.4 oz. silver/ton, 0.16 oz. gold/ton and 2.44% copper. Remarking upon the AW area in general, Dr. Grove said the indications of grades, widespread mineralization, diverse host rocks and alteration suggest the possibility of a major deposit.

Teuton plans a 1994 work program consisting of further prospecting, trenching and geological mapping to be followed by drilling in order to implement Dr. Grove's recommendations. A minimum \$300,000 program is planned, to be funded by Teuton's stock portfolio currently worth in excess of \$300,000 (this portfolio was built up through share option payments received pursuant to agreements entered into with various VSE companies during 1989 to 1990). Because several third parties have also recently expressed an interest in the Treaty Creek property, there is also a chance Teuton may seek joint venture or similar participation rather than funding the planned program itself. (SEE GCNL NO.215, 9Nov93, P.3 FOR PREVIOUS PROJECT INFORMATION)

104B 171