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George Cross News Letter

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WESTERN CANADIAN INVESTMENTS 1994

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SUBSCRIPTION RATE
\$315.00 PER YEAR

NO. 86 (1994)
MAY 5, 1994

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E. M. P. R.

ATHLONE RESOURCES LTD.

[AT-V] 6,556,065 SHS.

VITAL PACIFIC RESOURCES LTD.

[VPR-V] 12,473,595 SHS.

HEMLO GOLD MINES INC.

[HEM-V,T,M] 96,217,688 SHS.

HEMLO OPTIONS SOUP CLAIMS - James G.G. Watt, president, reports Athlone Resources Ltd. and Vital Pacific Resources Ltd. have signed a letter of intent for Hemlo Gold Mines Inc. to acquire a 51% interest in the Soup claims located about 200 km northeast of Smithers, B.C. There is road access to within seven km of the property and a connection to B.C. Rail would involve about 50 km of construction.

To acquire its interest, Hemlo must spend \$1,500,000 over four years and make payments totalling \$150,000. Presently, Vital 75% and Athlone 25% have interests in the claims. Hemlo has spent about \$400,000 on the nearby Kliyul claims owned 45% by Kennecott Canada Inc., 30% by Vital and 25% by Athlone. Planned expenditures on the Kliyul property in 1994 are \$210,000.

Prior investigation on the Soup claims has concentrated on skarn targets but large intrusive-hosted targets are also indicated. In 1993, Hemlo carried out geological, geochemical reconnaissance and a helicopter survey recording magnetics, conductivity and radiometrics.

Previous geochemical sampling over a strike length of about 700 meters on 100-meter lines showed the presence of about 1 gram gold/tonne and 700 to 1000 part per million copper over widths of 150 to 300 meters. The last sample line included 100 meters averaging 5 grams gold/tonne and 0.39% copper. These high results are coincident

with a magnetic-potassic zone which extends over a large area. A shallow drill hole in this area averaged 5.6 grams gold/tonne and 0.1% copper over 40 meters. The bottom sample contained 2.5 grams gold/tonne and 0.45% copper. The copper is oxidized and surficial leaching and removal of copper is anticipated. Gold is prominently associated with quartz-magnetite veins and stockworks in sheared and brecciated diorite and basic volcanics. Veins may contain up to 90 grams gold/tonne. Fine-grained disseminated mineralization is also present. (SEE GCNL NO.62, 30Mar94, P.2 FOR OTHER ATHLONE PROJECT DETAILS)

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