

1710 - 609 GRANVILLE ST  
PO BOX 10363  
VANCOUVER BC  
CANADA V7Y 1G5  
(604) 683-7265 FAX 683-5306  
BBS 683-7206

# George Cross News Letter

"Reliable Reporting"

WESTERN CANADIAN INVESTMENTS

COPYRIGHT  
ALL REPRODUCTION  
RIGHT RESERVED  
PUBLISHED DAILY  
SUBSCRIPTION RATE  
\$350.00 + G.S.T.  
PER YEAR

NO. 66 (1995)  
APRIL 4, 1995

NO. 66 (1995)  
APRIL 4, 1995

**LIQUID GOLD RESOURCES INC.**

[LQD-V] 4,741,567 SHS.

**HUNTINGTON RESOURCES INC.**

[HUN-V] 5,274,456 SHS

LIQUID GOLD SUES HUNTINGTON- D. Cameron Stretch, president,  
reports on 2Mar93, Liquid Gold  
Resources Inc. entered an agreement in which Huntington Resources

Inc., owner of the Brett claims, located 30 miles west of vernal,  
B.C., granted the company "the sole, exclusive and irrevocable  
option to acquire the right to 50% of the net profit arising from the  
sale of minerals produced from the property."

The final and fundamental term of the agreement required that  
Liquid Gold Resources Inc. place the Brett property into "commercial  
production" by 12Feb95. In the agreement "commercial production"  
is defined as follows: "Commercial Production" means the  
production from the property of either a minimum of 20 tonnes of  
ore per day, for at least five days of each week of a period of three  
consecutive months, or 1,200 tonnes of ore.

For reference, "Both the mining engineering profession and the  
courts accept the definition of "ore" as any material containing  
valuable metallic constituents for which it may be mined at a profit  
or hope of profit."

By early September last year Liquid Gold began drifting an adit  
to intersect the high-grade Bonanza Zone and began stockpiling ore  
on 15Jan95. On 10Feb95, and on the advice of the company's  
mining engineer that there was 1,383 tonnes of ore stockpiled on  
the site, Liquid Gold served notice to Huntington that it had met the  
terms of the contract and had exercised its option pursuant to the  
agreement of 2Mar93, thus earning a 50% net profit interest.

Two weeks earlier, in a letter to Liquid Gold, R.W. MacInnis,  
president of Huntington, stated that "the 1,200 tonnes must be  
proved to be ore by undergoing the normal processing process"  
(milling). Mr. Stretch said that since the stockpiled ore has not yet  
been milled and particularly since he had not bothered to discuss the  
matter with anyone from Liquid Gold Resources Inc., R.W. MacInnis  
has no basis for reporting that "the material stockpiled...is not ore."

82LSW 110

p. 1 of 2

1710 - 609 GRANVILLE ST  
PO BOX 10363  
VANCOUVER BC  
CANADA V7Y 1G5  
(604) 683-7265 FAX 683-5306  
BBS 683-7206

# **George Cross News Letter**

**"Reliable Reporting"**

**WESTERN CANADIAN INVESTMENTS**

**COPYRIGHT  
ALL REPRODUCTION  
RIGHT RESERVED  
PUBLISHED DAILY  
SUBSCRIPTION RATE  
\$350.00 + G.S.T.  
PER YEAR**

NO. 66 (1995)  
APRIL 4, 1995

NO. 66 (1995)  
APRIL 4, 1995

In an attempt to solve the problem, Liquid Gold directors proposed an informal meeting before taking any alternative action. As a result of subsequent discussions with representatives of Huntington, Liquid Gold's directors conclude that Huntington's unsubstantiated "attack" of 13Feb95 appears to be an attempt by Huntington to force renegotiation of a binding contract. Huntington president R.W. MacInnis advised Liquid Gold's directors that samples removed from the stockpile by Huntington contained visible gold. Notwithstanding that admission, Liquid Gold has expended great effort to resolve the matter amicably - to no avail.

Having spent over \$1,200,000 to bring the Brett mine to the production stage, Liquid Gold is of the opinion it has fulfilled its obligations with respect to the terms and conditions of the 1993 agreement and will ensure the agreement is maintained in full force and effect and will proceed on that basis.

Liquid Gold has instructed the law firms of McCarthy Tetrault to begin an action seeking damages against Huntington and to take such further action as is necessary to protect the company, its assets and its shareholders.

The company is proceeding to secure the required financing to extract and process the High-grade Bonanza Zone. Shipping can begin as soon as the Government imposed weight restrictions are lifted from the roads in three to four weeks. (SEE GCNL NO.39, 24Feb95, P.5 FOR PREVIOUS PROJECT INFORMATION)

82LSW 110

p. 2 of 2