

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

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. 151 (1997)
 AUGUST 7, 1997

NO. 151 (1997)
 AUGUST 7, 1997

DEMAND GOLD LTD.

[DOT-V] 7,915,368 SHS.

HIGH GRADE ZINC ASSAYS - Guilford Brett, president, Demand Gold Ltd., reports drilling has encountered encouraging zinc values at the 100% owned Haskins Reed property located near Cassiar, 12 miles from the Cusac Gold Mine, northern BC. The Haskins-Reed claims have been explored by various majors and juniors since 1968. Early work was directed toward finding molybdenum and tungsten. Some 13,500,000 tons of 0.16% MoS₂ was established by this work. In addition, a 2,600,000 ton total mineral resource (CIM 1996 definition) of sulphide ore

exists in three separate deposits. Of this resource, the Dela B Zone contains an aggregate developed and inferred reserve of 1,900,000 tons grading 3% zinc, 1.82 oz. silver/ton, 0.53% copper and 0.24% bismuth. Holes 97-1 and 97-2 were recently completed in an area proximal to the Reed Mountain intrusive, outside the area known reserves.

HOLE NO.	DIP °	INTERVAL METRES	INTERVAL FEET	ZINC %
97-1	-45	22.8	71.0	7.15
INCLUDING		6.8	22.0	13.26
97-2	-65	13.0	43.0	9.22
INCLUDING		10.7	36.0	10.63

At current prices, the above results approximate Cdn \$240/ton gross metal value over 28.5 feet. Due to the recent uptrend in zinc prices Demand Gold plans an accelerated program at Haskins-Reed.

In other news, a magnetometer survey is nearing completion on two separate grids established on the 100% optioned RBI claims directly south of Cominco's Kudze Kayah deposit in 100 km north of Watson Lake, Yukon. Preliminary soil geochemical work returned high lead and zinc values in several areas of the grid. Additional targets are being defined by the work and further drill results are expected in the near term. Two geophysical targets located on the RBI property were tested by drilling and demonstrated to be strong fault structures. No economic minerals were associated with the structures. Further work is planned in 1998 to better define potential ore horizons in this area. (SEE GCNL NO.106, 3Jun97, P.2 FOR PREVIOUS HASKINS-REED & RBI PROJECT DATA)

104P 59