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BEAU PRE EXPLORATIONS LTD.

[BPD-V] 9,391,577 SHS.

VALENTINE MOUNTAIN UPDATE - Robert Beaupre, president, Beau Pre Explorations Ltd., reports

on activities at the 100% owned Valentine Mountain project located on southern Vancouver Island in the Malahat land district, BC.

During the summer of 1996 a small gravity gold milling plant comprising crushers, bins, conveyors, and a gravity circuit was erected on the property to test the feasibility of a larger operation. This small mill was put into continuous operation on Sept. 18, and completed testing and shutdown on Nov. 22, 1996. The results of this mill test are as follows:

A total of 68 tonnes of material from the "C" vein were processed by crushing and concentrated using a simple ball mill shaking table circuit. The grade (ore head) was calculated from concentrate and tailings at 9.9 grams gold/tonne (0.29 oz/ton) over a one metre width. An overall recovery of 57% was achieved with

particles ranging in size from 6 mm down to below 400 mesh (0.04 mm). Gold in the tails were all finer than 0.1 mm and will require either enhanced gravity separation or flotation for further recovery. Lab scale tests have indicated a 90% net recovery using enhanced gravity. Other tests are planned.

Mineralization in this test was mined from a surface trench near the current end of one of the "C" vein trenches located in the main Discovery Zone. This vein mineralization, comprising mainly quartz plus minor sulphide minerals, was first intersected by core hole DDH-3 which indicated a grade of only 0.019 oz. gold/ton over a width of 1.1 metres, about 4 metres below the surface. Altogether 10 core holes have intersected part of this "C" vein zone over a length of 135 metres to a depth of about 120 metres, yielding an estimated drill indicated tonnage of about 34,000 tonnes over a width of 1.2 metres. Nine of these "C" vein core holes intersections at depth contained visible gold.

Results of this drilling and the new mill testing results suggest the "C" vein is continuous over length and depth and could have a higher overall grade than calculated.