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George Cross News Letter

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RUPERT RESOURCES LTD.

[RUP-V] 7,030,083 SHS.

UNDERGROUND EXPLORATION - D. Neil Briggs, director, Rupert CONTINUES AT SURF INLET Resources Ltd., reports the underground exploration program at the 100% owned Surf Inlet gold property has resumed following a short break. The former high grade gold producer is located on Surf Inlet, Princess Royal Island, off the northwest coast of BC, about 145 km south of Prince Rupert and has yielded 1,091,131 tons of ore grading 0.42 oz. gold/ton. **BUFFALO MINES LTD.** [BUF-V] can earn a 50% interest by spending \$1,500,000 in three stages.

The current exploration program is targeted at the unexplored downdip extension to the original Surf orebody which produced 85% of the ore. This extension occurs on the former Wells property which was held by an independent land holder for many years and has never yet been drilled. Rupert has now consolidated the most

prospective property in the area including the Wells property.

Underground drilling near the boundary of the Wells property in 1942 cut favourable intersections of 10.0 feet of 0.19 oz. gold/ton and 3.0 feet of 0.63 oz/ton. Poor core recoveries were reported at the time from small diameter drill core, suggesting these results could be understated. Extensive geological work and computer modelling in the mid-1980's concluded excellent reserve potential exists near the old workings.

Underground crews have completed re-tracking portions of the 900 foot level and have completed 97 feet of the 200 foot long exploration crosscut. The drill-station on the Wells property will then be cut and the first drilling on the Wells property is to begin in late June. Rupert's strategy is designed to see production resume from this gold producer after decades of inactivity. (SEE GCNL NO.79, 24Apr97, P.5 FOR PREVIOUS SURF INLET DATA)

Buffalo Mines through its wholly-owned subsidiary, Prairie Rose Petroleum Ltd., has agreed to sell to New Horizon Exploration Inc., all of Prairie Rose's 20% working interest in 2 wells in Sec. 33-09-1 V/2M in White Bear area, Saskatchewan, 120 miles southeast of Regina (the White Bear project) and in its 25% working interest in 1 well in section 20-08-03 W2M in Arcola area, Saskatchewan, 6 miles north of Estevan (the Arcola project). New Horizon will pay Prairie Rose \$65,000 for these oil and gas interests. New Horizon is a private Alberta company owned by A. Michael Turko, who is president and a director of Buffalo and Prairie Rose. As this is a non-arm's length transaction, the purchase price is based upon an independent fair market valuation prepared by Gilbert Laustsen Jung Associates Ltd. of Calgary, Alberta.

Buffalo Mines in mid March 1997, received \$450,000 gross proceeds from its initial distribution of 750,000 shs. at 60¢ each to the public. Buffalo is classified as a venture co. At the opening, 13Mar97, Buffalo shs. were posted for trading on VSE with 3,945,001 shares issued including 750,000 shs. in escrow. Sponsoring agent is Yorkton Securities Inc. The agent was granted 187,500 warrants. Each warrant is exercisable to buy 1 share at 60¢ each through 13Mar98 and at 69¢ through 12Mar99. Chief executive officer is Allan Michael Turko at 530-800 West Pender St., Vancouver, B.C. V6C 2T6. Telephone: (604) 683-3309.

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