

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 + GST

NO. 225 (1997)
 NOVEMBER 24, 1997

NO. 225 (1997)
 NOVEMBER 24, 1997

HILLSBOROUGH RESOURCES LTD.

[HLB-T] 17,219,968 SHS.

CANABRAVA DIAMOND CORP.

[CNB-V] 28,183,887 SHS.

SPECIAL DIVIDEND DECLARED - Udo E. von Doehren, senior vice president, Hillsborough Resources Ltd., reports its board of directors has resolved to distribute to shareholders, by way of a Special Dividend, a further approximate 860,000 shares from its shareholdings in Canabrava Diamond Corp. Hillsborough's shareholders of record on 2Jan98 will receive one Canabrava share for each 20 Hillsborough shares held on that date. No fractional shares or cash in lieu will be distributed. Hillsborough's shareholders will be advised in due course of the date

on which the certificates for their Canabrava shares will be mailed to them.

Hillsborough, following the payment of the Special Dividend will still own about 2,300,000 shares of Canabrava with a current market value of about \$6,900,000. Canadian Mine Development, a mine engineering, contracting and operating company, is a division of Hillsborough. Hillsborough manages and owns 63% of the Quinsam Coal Mine near Campbell River, Vancouver Island, BC.

Hillsborough recently reported its financial and production results for the three and nine month periods ended 30Sept 97.

THREE MONTHS ENDED SEPTEMBER 30, 1997			1996	
SALES REVENUE	\$11,700,000		\$11,000,000	
INCOME FROM OPERATIONS	1,900,000		2,300,000	
EARNINGS PER SHARE	1¢		1¢	
TONNES COAL SOLD	281,000		232,000	
CLEAN COAL PRODUCED	284,000		232,000	
NINE MONTHS ENDED SEPTEMBER 30, 1997			1996	
SALES REVENUE	\$34,700,000		\$31,700,000	
INCOME FROM OPERATIONS	6,200,000		6,400,000	
EARNINGS PER SHARE	7¢		72¢	
TONNES COAL SOLD	809,000		690,000	
CLEAN COAL PRODUCED	819,000		694,000	

92F 319

Operating costs at the Quinsam coal mine are expected to trend lower as coal production continues to increase and reaches or exceeds design capacity in 1998. Hillsborough is making mechanical and mining method improvements to increase profitability at Quinsam. In the third quarter, the marketing of Quinsam coal for 1998 is advancing to sell all of the 1998 projected production of over 1,400,000 tonnes. Final pricing and industry allocation to maximize better pricing is scheduled over the next three months.

During the third quarter, Hillsborough was invited by Cominco Ltd. to tender on preproduction development and subsequent contract production mining at the Sa Dena Hes joint venture near Watson Lake, Yukon Territory. The contract was recently awarded to Hillsborough's subsidiary, Canadian Mine Development, with crews already on site. The initial contract is for one year and can be extended by mutual consent. Current economic reserves indicate a four year mine life. (SEE GCNL NO.217, 12Nov97, P.3 FOR PREVIOUS SA DENA HES PROJECT INFORMATION)