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George Cross News Letter

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BOOKER GOLD EXPLORATIONS LTD.

[BGE-V] 8,375,170 SHARES

HEARNE HILL & MORRISON JOINT VENTURE - Booker Gold Ex-
EXPLORATION DEVELOPMENT DETAILED plorations Ltd. has
signed an option

with Noranda Mining and Exploration Inc. to jointly explore
properties comprising over 20,000 acres in the Babine copper-gold
belt, 65 km northeast of Smithers, central B.C. Booker and Noranda
have formulated an agreement with the potential to create a major
mine in the Babine. (SEE GCNL NO.295, P.2, Oct. 24, 1997 for
some detail) Booker's goal with the Hearne Hill and Morrison joint
venture is to develop a mine with greater than 200,000,000 tonnes
of mineable reserve.

The Morrison was discovered around the same time as Hearne
Hill (mid 1960's). Noranda has owned the property since then.
There were 95 drill holes completed from 1965 to 1985, as well as
extensive geochemistry and geophysics. A resource of 190,000,000
tonnes of 0.4% copper and 0.2 grams gold/tonne has been reported
in Canadian Institute of Mining, Metallurgy and Petroleum Special
Volume No.46. Most of the early holes on the Morrison property
were small one inch diameter core, some of which ended in
mineralization, and were not assayed for gold, molybdenum or
silver. Booker believes with further drilling with larger two inch

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diameter core, combined with better core recoveries, potentially higher grades for copper and gold could be realized. If Booker is successful in identifying mineable reserves, they could be increased by supplementing the Hearne Hill resources with the Morrison resources. With a high grade starter pit from the Booker breccias providing a rapid repayment of capital costs, more tonnage could be included in mineable reserves.

Booker is planning to define the higher grade zones within the Morrison property using a larger diameter drill, and is expanding geophysics and geochemistry to cover the Morrison claims to located other exploration targets. Results will be used to plan a detailed feasibility program.

Booker's Hearne Hill claims adjoin the Morrison on the east side. The two high grade Hearne breccias, named the Peter Bland and Chapman, are within 1,500 metres of the Morrison deposit. Geochemistry and boulder train indications are that a third breccia zone lies between the Bland/ Chapman and the Morrison, closer to the Morrison.

Booker is preparing a resource estimate for the high grade breccia zones. Geological consultant, Ed Kimura, Fellow of the Geological Association of Canada, is implementing quality control methods, overseeing the accuracy of resource estimates and consulting on proposed drilling. A large amount of data processing is involved and accuracy is paramount. The consultants are proceeding in a manner which ensures that all data released will form part of the bankable feasibility study.

Trenching and preparing drill sites are underway on the Hearne Hill property to delineate and expanded the Peter Bland zone and explore a favourable target for a potential third zone.

The Morrison has had minimal exploration since the late 1960's. Booker will resume exploration on this property by drilling in the known mineralized zone with larger diameter core with the objective of acquiring more detailed geologic information and to seek a potential upgrade for copper and gold grades. The Morrison deposit will be explored while work continues on the Hearne Hill property.

The option agreement progresses through several stages:

Booker Gold is to explore the Morrison property and advance it to bankable feasibility as soon as possible with a minimum expenditure of \$2,600,000, within five years, with a possible extension to seven years; upon delivery of the feasibility study the following options regarding the Morrison property will be available:

a) If the Morrison project is to be stand alone, Booker, could go into production on a 50/50 basis, with Noranda.

b) If Noranda does not wish to proceed, Booker can obtain a 100% interest in the Morrison by taking it into production alone. Noranda would retain a 3% Net Smelter Return Royalty (NSR) of which 1.5% could be purchased by Booker for \$1,500,000.

c) If Booker proposes and Noranda concurs, Booker can merge the Morrison and Hearne properties into one project.

If the properties are merged, at that point Booker would own 100% of Hearne Hill and 50% of the Morrison property:

a) Noranda will then have the option to proceed to production, by way of paying Noranda's share of costs on a pro rata basis, or to retain 3% NSR subject to the \$1,500,000 buyout of 1.5% NSR on the Morrison only.

b) If Noranda proceeds, it will contribute its pro rata 50% share of costs to production and has the option to be the operator.

c) Noranda has the option to buy up to 50% of Hearne Hill paying Booker 50% of the net present value of the reserves of Hear Hill as defined in the feasibility study. This payment would directly to Booker's share of costs to production, and is capped such cost. The mine would then be developed by both parties on 50/50 basis with Noranda having the option to be operator under direction of a joint management committee.

At feasibility, with merged properties the situation will be follows: Noranda owns 50% of Morrison; Booker owns 100% Hearne Hill plus owns 50% of Morrison.

Noranda may then buy 50% of Hearne Hill. The money from purchase is used by Booker towards its share of production cost. The situation would then be: Noranda buys 50% of Hearne Hill and owns 50% of Morrison and Booker would own 50% of Hearne Hill plus own 50% of Morrison.

Booker's directors believe the agreement is beneficial because:

1) It presents the opportunity to develop and place in production two excellent copper-gold projects that jointly could produce a world class open pit mine.

2) The two properties are side-by-side, which would allow development of one large mine rather than two separate entities.

3) The economics of a large porphyry system developed tandem with high grade breccias are potentially very profitable. (SEE GCNL NO.205, Oct.24/97, P.2 FOR PREVIOUS MORRISON PROJECT INFORMATION)

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