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George Cross News Letter

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NO. 181 (1997)
SEPTEMBER 19, 1997

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PHOENIX GOLD RESOURCES LTD.

[PHO-V] 5,709,312.00 SHS.

ALDA INDUSTRIES CORP.

[ALD-V] 6,303,802 SHS.

PLATINUM PROJECT UPDATE - John Carson, president, Phoenix Gold Resources Ltd., provides an update on exploration at the Grasshopper Mountain platinum project near Tulameen, southwest BC. For over 100 years the placer mining operations of the Tulameen River area have provided production of gold and platinum. Phoenix Gold is now conducting a hard rock exploration program within a platiniferous anomalous area of the Tulameen ultramafic complex. Work completed on the Grasshopper platinum property included access roads being rehabilitated and 1,000 feet of diamond drilling completed and continuing. Core splitting and assaying are in progress. Also, surface rock chip sampling of area "C" along a strike length of 18.5 metres which included lenses, pods and massive chromite material to 1.5 metres wide were assayed for platiniferous minerals. Results over 1,000 ppb are tabled below:

<u>PLATINUM PPB</u>	<u>OZ/TON</u>	<u>GRAMS/TONNE</u>
19,610	0.554	19.6
9,105	.262	4.1
3,371	.087	3.3
8,098	.233	8.0
8,225	.233	8.2
1,220	.029	1.2

ASSAY PROCEDURE: FIRE ASSAY INFUSION WITH AN I.C.P. DETERMINATION

924NE 11

Results in nickel showed as high as 1,000 ppb and chrome as high as 824 ppb. Panned rotary chip concentrates from percussion hole 8 showed visible gold in the concentrate.

PH8 160-170 FEET CON: GOLD 0.034 OZ/TON and
PLATINUM 0.029 OZ/T

PH8 280-290 FEET CON: GOLD 0.466 OZ/TON and
PLATINUM 0.030 OZ/TON

Results have prompted management to direct further efforts to gold exploration as well as platinum. Soil grid samples and stream sediment samples have been collected for gold and platinum analysis.

Phoenix Gold holds an option to earn a 35.5% interest from Caribou Highland Metals (private) and two individuals. Alda Industries can earn a 25.5% interest from the same vendors by spending \$55,000 in 1997. A further \$55,000 must be spent to earn an additional 10% in 1998. Alda must also issue 50,000 shares to each of Phoenix Gold and Caribou Highland. The remaining 29% interest is held by Caribou Highland and two individuals.

At the Coyote Knolls, Utah, project, Phoenix Gold and its affiliate, ORION INTERNATIONAL MINERALS CORP. [OIM-V] have each earned a 30% interest in this property. The project is located about 100 miles southwest of Salt Lake City. The best trench samples from the property returned 0.52 oz. gold/ton (21 grams gold/tonne) and 135 oz. silver/ton (3,827 grams silver/tonne). An average across a width of 5.0 feet with 300 feet of strike length equated to 0.147 ounces gold/tonne (7.3 grams gold/tonne) and 33.0 oz. silver/tonne (1,122 grams silver/tonne).

Regionally, this project lies within the Delta Quadrangle which has produced 300,000,000 ounces of silver and 3,000,000 ounces of gold. Work on Coyote Knolls is continuing to expand known mineralization. The current program consists of drilling, blasting free standing ore, construction of a downramp, stock piling of ore