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# George Cross News Letter

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## IMPERIAL METALS CORP.

[IPM-T] 58,819,743 SHS.

SILVERTIP RESOURCE UPDATED - Pierre Lebel, president, reports

Imperial Metals Corp. has completed an updated resource calculation for the 100% owned Silvertip high grade precious and base metals property 80 km west of Watson Lake, Yukon, in northern BC. A recently completed \$2,000,000 exploration program, which included 8,600 metres of diamond drilling, has extended mineralized zones and has identified a new zone of mineralization.

As a result of these finds, the mineral resource of 1,740,000 tonnes grading 352 grams silver/tonne, 6.4% lead, 10% zinc calculated by Strathcona Mineral Services in 1990 has been updated by Imperial to 2,570,000 tonnes grading 325 grams silver/tonne, 6.4% lead, 8.80% zinc and 0.63 grams gold/tonne.

The minegate net smelter value of the expanded resource is about Cdn \$125/tonne at current metal prices, exchange rates, transportation, smelting and refining charges. There is excellent potential for further expansion of this deposit which now appears capable of sustaining a profitable mining and milling operation.

Imperial's updated resource calculation is based on the mineral resource classification guidelines published by the Canadian Institute of Mining and Metallurgy, and is as follows:

CLASSIFICATION	TONNES	SILVER GR/T	LEAD %	ZINC %	GOLD GR/T	CONTAINED METAL VALUE
MEASURED AND INDICATED	1,120,000	378	7.7	9.5	0.85	US\$234/TONNE
INFERRED	1,450,000	284	5.4	8.3	0.46	US\$186/TONNE
<b>TOTAL</b>	<b>2,570,000</b>	<b>325</b>	<b>6.4</b>	<b>8.8</b>	<b>0.63</b>	<b>US\$206/TONNE</b>

During 1997, the company carried out metallurgical testwork to confirm contained metals can be recovered using standard flotation techniques. This testwork also demonstrated the use of dense media separation can substantially upgrade run of mine ore to provide high grade mill feed with little loss of contained metals.

Imperial metals plans to rapidly move this project forward on the path to commercial production. Accordingly, permitting procedures for a 10,000 tonne bulk metallurgical sample in 1998 have been initiated. Also, environmental assessment will be started in 1998 with a view to making a production decision in 1999.

Plans now being formulated call for mining to start with an open pit followed by underground mining. As part of these plans, Imperial Metals is reviewing the feasibility of moving its 1,500 tonne per day Goldstream mill, located near Revelstoke, southeast BC, to the Silvertip project site. (SEE GCNL NO.231, 2Dec97, P.3 FOR PREVIOUS SILVERTIP AND OTHER PROJECT INFORMATION)

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