

George Cross News Letter

"Reliable Reporting"

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BRENWEST MINING LTD. (BWM-V)

FOUR DEVELOPMENTS HIGHLIGHTED FISCAL YEAR. - Walter Ruck, president,

has reported that, in the year ended Sept.30,1987, developments by Brenwest included: debts converted to shares, improving the financial position; \$375,000 of new capital raised; claims acquired in the Iskut - Skyline gold belt, NW B.C.; a new gold prospect acquired near Blackdome mine B.C.; and an oil well drilled and now on pump test to determine flow rates in the Alkali Lake prospect, Colorado.

Early in the year the company settled \$4,044,007 debts by issue of 1,222,935 treasury shares. On August 13,1987, Brenwest shares resumed trading on the Vancouver Stock Exchange. During 1987, the company received \$375,000 from flow-through and private placement fundings. At Oct.31,1987, 4,807,034 shares were outstanding and working capital was \$45,000. Documents have been prepared for new funding.

Brenwest has an option to acquire a 100% working interest in the 15-unit Edge property, 50 km south east of the Blackdome Gold mine on the west side of the Fraser River, near Big Bar, 40 km NW of Clinton, B.C. To exercise the option, Brenwest must spend \$350,000 on exploration and issue 100,000 shares over 3 years to Oct. 21,1990. The property is subject to a 3% net smelter return royalty and a 25% back-in option held by the vendors. This option is exercisable within 60 days of completion of the expenditure of the \$350,000. The vendors are also to be granted options to buy 225,000 shares of Brenwest over 3 years at prices yet to be determined. Vendors of the property are Inspiration Resources Corp. 50% and Minorco Canada Ltd. 50% through Mingold Resources Inc., their subsidiary.

The Edge claim block has been expanded by staking of a 5-claim group comprising 100 units covering approximately 6,200 acres. The additional ground was staked to cover favourable geology discovered in a regional evaluation program. Exploration has included surface sampling which yielded anomalous readings of 3,480 parts gold per billion, a diamond drill hole which cut 3 meters of 0.13 oz.gold/t and an induced polarization anomaly 950 meters long and open to the north. The property includes a prominent bleached zone and anomalous gold values in an untested iron stained quartz carbonate zone.

The current exploration program includes backhoe trenching, systematic sampling, geological mapping, as well as 50 km of magnetometer and VLF-electromagnetic surveys. This work will result in selection of sites for diamond drill holes. Recent work has also resulted

in a number of anomalous gold readings from the newly staked claims.

Six miles north of the Skyline Exploration gold discovery in the Iskut River area, B.C., Brenwest has been exploring the Joy claims where values of 2.0 oz. gold/t, 6.6 oz.silver/t have been assayed from outcrop. Recent work has included prospecting, geological mapping, soil and stream sediment geochemistry. This work located an oxidized shear zone in altered volcanics having an average width of 70 cm and 15 meters along strike, yielding a high grade sample assaying 5.542 oz.gold/t, plus silver and copper. Magnetometer and VLF-electromagnetic surveys located conductive zones over the showing approximately 120 meters long and 30 meters wide with other conductors nearby. A program, costing \$225,000, to include, prospecting, geological mapping, geochemical and geophysical surveys and diamond drilling is planned for 1988.

Brenwest also holds a 12.5% working interest in a 4,085-acre tract of oil/gas leases in the North Park Basin, Jackson county, Colorado, called the Alkali project. The test well to 4,162 feet deep was designed to test a potential reserve of 7,000,000 barrels of recoverable oil. Production testing has been underway for several weeks. Production rates have been between 50 and 100 barrels per day suggesting the well will be a commercial producer. The decision upon drilling further wells in this project will be made when final evaluation of the first well is complete.

WESTMIN RESOURCES LIMITED(WMI-V,T)

NEXUS RESOURCE CORPORATION(NXS-V)

ANGLE RESOURCES LTD.(AGU-V)

REWARD RESOURCES LTD.

EXPLORATION BUDGET OF \$5,000,000 APPROVED FOR - A budget
DEBBI - YELLOW PROJECT, VANCOUVER ISLAND, B.C. has been

approved

to spend \$5,000,000 on the Debbi - Yellow project near
Alberni, Vancouver Island, B.C. The interests are
Westmin 50% and Nexus, Angle and Reward 50%. The
program includes 1.9 km of underground exploration adit
which will give access to the Mineral Creek and Linda
gold zones.

(SEE GCNL NO.8, JAN.13,1988, FOR DETAIL REVIEW OF THE
ENCOURAGING RESULTS FROM THE 1987 PROGRAM AND GCNL NO.
3, JAN.6,1988, FOR CONTROL SHIFT AND MERGER PLANS OF
NEXUS, ANGLE AND REWARD.)

The adit will be driven in highly prospective ground
parallel to a fault which controls gold mineralization in
the Mineral Creek zone. A recent hole, DM107, drilled
1560 feet north of the north end of the Mineral Creek
zone to test the fault area intersected 0.547 oz.gold/t
across 3.3 ft., 0.117 across 2.6 feet and 0.109 across
6.6 feet, thus extending the potential of this gold
structure. The exploration adit will provide access to
further drill the area around this hole and will provide
a platform for systematic drill testing of the major
structure as well as the Mineral Creek and Linda gold
zones.

The adit will open the Mineral Creek gold zone for
detailed drilling for reserve calculation data. A bulk
sample for metallurgical testing is planned.

A single diamond drill hole approximately 1,000
feet west of the Mineral Creek zone intersected signif-
icant gold mineralization in a new area that will
require additional drilling. Hole DM100 intersected
0.245 oz.gold/t across a core length of 2.0 feet.

The 1988 program includes large scale exploration
in and around the 900 zone and other areas. Baseline
environmental studies and permitting are in progress.

NORAMEX MINERALS INC.(NXM-V)

DRILLING COMMENCES ON BUNCE, NEVADA PROJECT

JOINT VENTURE SIGNED ON QUEEN CHARLOTTE ISLAND PROPERTIES

A joint venture agreement was negotiated and letter
of intent signed with CITY RESOURCES (CANADA) LIMITED
(CIZ-V,T,CCINF-Nasdaq) for exploration on the Wanda/
Sheila property, adjacent to the Cinola deposit on the
Queen Charlotte Islands, B.C. (SEE MAP OVERLEAF). City
has the option to provide \$1,500,000 for exploration.
The first \$500,000 will earn City a 51% interest in the
property. The remaining \$1,000,000 is a 49%/51% joint
venture with Noramex having an option to pay its 49% of
the expenditures 6 months after completion of the program.

City will also pay \$50,000 to acquire the Expot
property for possible tailings disposal area for the
Cinola mine, subject to a 10% net profit interest.

Noramex has \$100,000 in working capital to cover
1988 operating costs. Noramex will operate the Nevada
and Queen Charlotte-City Resources programs.

Brian D. Fairbank, president, has reported that
Noramex started 1988 exploration with reverse circula-
tion drilling on January 12 on the Bunce property near
Lovellock, Pershing county, Nevada. Further drilling
will be conducted on the east side of the Discovery gold
zone where the zone is open and appears to be thickening.
Previously reported drill indicated reserves were
200,000 tons containing 10,000 oz/gold, 50,000 oz/silver.

The program is a joint venture between Noramex,
22.4%, HILLSIDE ENERGY CORP. (HFE-V) 17.6%, and
CALYADA RESOURCES INC.(CVH-V) who can earn 60%
interest by financing to feasibility study with minimum
expenditures of \$1,600,000.

On the 100% Noramex owned, 1,222 acre Adobe Dunes
property located in a valley west of the Bunce, trench-
ing and sampling will test anomalous gold values.